

1 (e) "As of the initial cut-off date, the weighted average original Loan-to-Value Ratio  
2 of the Initial Mortgage Loans in loan group 2 is approximately 75.94%." CWALT 2005-1CB  
3 Pros. Sup. S-31.

4 (f) In "The Mortgage Pool" section, Deutsche and CWALT presented similar tables  
5 of statistics about the mortgage loans in loan group 3. In these tables, Deutsche and CWALT  
6 similarly made hundreds of statements about the original LTVs of the loans in loan group 3.  
7 CWALT 2005-1CB Pros. Sup. S-35 to S-41.

8 (g) "As of the initial cut-off date, the weighted average original Loan-to-Value Ratio  
9 of the Initial Mortgage Loans in loan group 3 is approximately 78.59%." CWALT 2005-1CB  
10 Pros. Sup. S-38.

11 (h) In "The Mortgage Pool" section, Deutsche and CWALT presented similar tables  
12 of statistics about the mortgage loans in loan group 4. In these tables, Deutsche and CWALT  
13 similarly made hundreds of statements about the original LTVs of the loans in loan group 4.  
14 CWALT 2005-1CB Pros. Sup. S-42 to S-47.

15 (i) "As of the initial cut-off date, the weighted average original Loan-to-Value Ratio  
16 of the Initial Mortgage Loans in loan group 4 is approximately 79.27%." CWALT 2005-1CB  
17 Pros. Sup. S-44.

**Item 62. Details of the results of the AVM analysis:**

Number of loans	6,480
Number of properties on which there was enough information for the model to determine a true market value	2,950
Number of loans on which the stated value was 105% or more of the true market value as reported by the model	1,461
Aggregate amount by which the stated values of those properties exceeded their true market values as reported by the model	\$58,658,607
Number of loans on which the stated value was 95% or less of the true market value as reported by the model	611
Aggregate amount by which the true market values of those properties exceed their stated values	\$27,495,780
Number of loans with LTVs over 100%, as stated by Defendants	0
Number of loans with LTVs over 100%, as determined by the model	299
Weighted-average LTV, as stated by Defendants (group 1)	74.3%
Weighted-average LTV, as determined by the model (group 1)	79.1%

**Item 71. Undisclosed additional liens:**

- (a) Minimum number of properties with additional liens: 313
- (b) Total reduction in equity from additional liens: \$15,025,519
- (c) Weighted-average reduction in equity from additional liens: 78.7%

**Item 82. Untrue or misleading statements about compliance with USPAP:**

In the prospectus supplement, Deutsche and CWALT made the following statement about the appraisals of the properties that secured the mortgage loans originated or acquired by Countrywide: "All appraisals are required to conform to Fannie Mae or Freddie Mac appraisal standards then in effect." CWALT 2005-1CB Pros. Sup. S-53.

**Item 88. Untrue or misleading statements about owner-occupancy of the properties that secured the mortgage loans:**

In the prospectus supplement, Deutsche and CWALT made the following statements about the occupancy status of the properties that secured the mortgage loans in the collateral pool of this securitization.

- (a) In "The Mortgage Pool" section of the prospectus supplement, described in Item 52, Deutsche and CWALT presented a table entitled "Occupancy Types." This table divided the mortgage loans in loan group 1 into the categories "Primary Residence," "Investment Property,"

1 and "Secondary Residence." The table made untrue and misleading statements about the number  
2 of mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate  
3 principal balance outstanding in each of these categories. CWALT 2005-1CB Pros. Sup. S-27.

4 (b) In the "Occupancy Types" table, Deutsche and CWALT stated that 83.28% of the  
5 mortgage loans in loan group 1 were secured by a "Primary Residence," 14.98% by an  
6 "Investment Property," and 1.74% by a "Secondary Residence." CWALT 2005-1CB Pros. Sup.  
7 S-27.

8 (c) In "The Mortgage Pool" section, Deutsche and CWALT presented another table  
9 entitled "Occupancy Types." This table divided the mortgage loans in loan group 2 into the  
10 categories "Primary Residence," "Investment Property," and "Secondary Residence." The table  
11 made untrue and misleading statements about the number of mortgage loans, the aggregate  
12 principal balance outstanding, and the percent of aggregate principal balance outstanding in each  
13 of these categories. CWALT 2005-1CB Pros. Sup. S-33.

14 (d) In the "Occupancy Types" table, Deutsche and CWALT stated that 94.14% of the  
15 mortgage loans in loan group 2 were secured by a "Primary Residence," 3.69% by an "Investment  
16 Property," and 2.16% by a "Secondary Residence." CWALT 2005-1CB Pros. Sup. S-33.

17 (e) In "The Mortgage Pool" section, Deutsche and CWALT presented another table  
18 entitled "Occupancy Types." This table stated that 100% of the mortgage loans in loan group 3  
19 were secured by a "Primary Residence." CWALT 2005-1CB Pros. Sup. S-40.

20 (f) In "The Mortgage Pool" section, Deutsche and CWALT presented another table  
21 entitled "Occupancy Types." This table divided the mortgage loans in loan group 4 into the  
22 categories "Investment Property" and "Secondary Residence." The table made untrue and  
23 misleading statements about the number of mortgage loans, the aggregate principal balance  
24 outstanding, and the percent of aggregate principal balance outstanding in each of these  
25 categories. CWALT 2005-1CB Pros. Sup. S-46.

26 (g) In the "Occupancy Types" table, Deutsche and CWALT stated that 85.64% of the  
27 mortgage loans in loan group 4 were secured by an "Investment Property" and 14.36% by a  
28 "Secondary Residence." CWALT 2005-1CB Pros. Sup. S-46.

**Item 96. Details of properties that were stated to be owner-occupied, but were not:**

- (a) Number of loans on which the owner of the property instructed tax authorities to send property tax bills to him or her at a different address: 384
- (b) Number of loans on which the owner of the property could have, but did not, designate the property as his or her homestead: 572
- (c) Number of loans on which the owner of the property owned three or more properties: 27
- (d) Number of loans that went straight from current to foreclosure or ownership by lender: 2
- (e) Eliminating duplicates, number of loans about which one or more of statements (a) through (d) is true: 860

**Item 99. Untrue or misleading statements about the underwriting standards of the originators of the mortgage loans:**

On pages S-51 to S-56 of the prospectus supplement, Deutsche and CWALT made statements about the underwriting guidelines of Countrywide Home Loans, Inc. All of those statements are incorporated herein by reference. In particular, Deutsche and CWALT stated that:

(a) "Exceptions to Countrywide Home Loans' underwriting guidelines may be made if compensating factors are demonstrated by a prospective borrower." CWALT 2005-1CB Pros. Sup. S-52.

(b) "Countrywide Home Loans' underwriting standards are applied by or on behalf of Countrywide Home Loans to evaluate the prospective borrower's credit standing and repayment ability and the value and adequacy of the mortgaged property as collateral." CWALT 2005-1CB Pros. Sup. S-52.

**Item 106. Early payment defaults:**

- (a) Number of the mortgage loans that suffered EPDs: 28
- (b) Percent of the mortgage loans that suffered EPDs: 0.4%



- (c) **Percent of all securitized, non-agency prime (including Alt-A) mortgage loans made at the same time as the loans in the collateral pool that experienced EPDs: 0.18%**

**Item 117. Statements about the ratings of the certificate(s) that the Bank purchased:**

On page S-3 of the prospectus supplement, Deutsche and CWALT made statements about the ratings assigned to the certificates issued in this securitization. Deutsche and CWALT stated that the Bank's certificate was rated Aaa by Moody's Investors Service, Inc. and AAA by Standard & Poor's Rating Services.

Deutsche and CWALT also stated that: "The classes of certificates listed below will not be offered unless they are assigned the following ratings by Moody's Investors Service, Inc. ('Moody's') and by Standard & Poor's . . . ." The requirement for classes 1-A-1 and 1-A-2, from which these certificates were to be paid, was AAA for Standard & Poor's and Aaa for Moody's. CWALT 2005-1CB Pros. Sup. S-3.

Deutsche and CWALT also stated that: "It is a condition to the issuance of the senior certificates that they be rated AAA by Standard & Poor's . . . and Aaa by Moody's Investors Service, Inc. ('Moody's')." CWALT 2005-1CB Pros. Sup. S-117.

**Item 120. Summary of loans about which the Defendants made untrue or misleading statements:**

- (a) **Number of loans whose LTVs were materially understated: 1,461**
- (b) **Number of loans in which the owner's equity was reduced by 5% or more by undisclosed additional liens: 313**
- (c) **Number of loans that suffered EPDs: 28**
- (d) **Number of loans in which the properties were stated to be owner-occupied but were not: 860**
- (e) **Eliminating duplicates, number of loans about which the Defendants made untrue or misleading statements: 2,272**
- (f) **Eliminating duplicates, percent of loans about which the Defendants made untrue or misleading statements: 35.1%**

**SCHEDULE 32 TO THE AMENDED COMPLAINT**

To the extent that this Schedule is incorporated by reference into allegations in the complaint, those allegations are made against Defendants Bear Stearns and SAMI II.

**Item 44. Details of trust and certificate(s).**

(a) **Dealer that sold the certificate(s) to the Bank:** Bear Stearns.

(b) **Description of the trust:** : Structured Asset Mortgage Investments II Trust, Mortgage Pass-Through Certificates, Series 2007-AR5 was a securitization in August 2007 of 1,496 mortgage loans, in one group. The mortgage loans in the collateral pool of this securitization were originated by GreenPoint Mortgage Funding, Inc., Bear Stearns Residential Mortgage Corporation, and various undisclosed originators. GreenPoint Mortgage Funding, Inc. originated 66.46% of the loans in the collateral pool of this securitization and Bear Stearns Residential Mortgage Corporation originated 14.1%. SAMI 2007-AR5 Pros. Sup. S-9 and S-43.

(c) **Description of the certificate(s) that the Bank purchased:** Bear Stearns offered and sold to the Bank a senior certificate in this securitization, in tranche A-1, for which The Bank paid \$328,000,000 plus accrued interest on August 31, 2007.

(d) **Ratings of the certificate(s) when the Bank purchased them:** Standard & Poor's— AAA; Fitch— AAA.

(e) **Current ratings of the certificate(s):** Standard & Poor's— AAA; Fitch— BB.

(f) **URL of prospectus supplement for this securitization:**  
<http://www.sec.gov/Archives/edgar/data/1409424/000091142007000599/d238500425.txt>

**Item 52. Untrue or misleading statements about the LTVs of the mortgage loans:**

In the prospectus supplement, Bear Stearns and SAMI II made the following statements about the LTVs of the mortgage loans in the collateral pool of this securitization.

(a) The weighted-average LTV at origination of all of the mortgage loans in the collateral pool was 73.07%. SAMI 2007-AR5 Pros. Sup. S-10 and A-2.

(b) In Schedule A of the prospectus supplement ("Certain Characteristics of the Mortgage Loans"), Bear Stearns and SAMI II presented tables of statistics about the mortgage loans in the collateral pool. Each table focused on a certain characteristic of the loans (for

1 example, principal balance at origination) and divided the loans into categories based on that  
2 characteristic (for example, loans with principal balances at origination of \$0 to \$100,000,  
3 \$100,001 to \$200,000, \$200,001 to \$300,000, etc.). Each table then presented various data about  
4 the loans in each category. One of the tables, entitled "Original Loan-to-Value Ratios in Total"  
5 divided all of the loans in the collateral pool into 12 categories of original LTV (for example, 0%  
6 to 30%, 30.01% to 40%, 40.01% to 50%, etc.). The table made untrue and misleading statements  
7 about the number of mortgage loans, the aggregate principal balance outstanding, and the percent  
8 of aggregate principal balance outstanding in each of these categories. SAMI 2007-AR5 Pros.  
9 Sup. A-2.

**Item 62. Details of the results of the AVM analysis:**

Number of loans	1,496
Number of properties on which there was enough information for the model to determine a true market value	969
Number of loans on which the stated value was 105% or more of the true market value as reported by the model	761
Aggregate amount by which the stated values of those properties exceeded their true market values as reported by the model	\$98,557,389
Number of loans on which the stated value was 95% or less of the true market value as reported by the model	60
Aggregate amount by which the true market values of those properties exceed their stated values	\$4,512,150
Number of loans with LTVs over 100%, as stated by Defendants	0
Number of loans with LTVs over 100%, as determined by the model	257
Weighted-average LTV, as stated by Defendants	73.1%
Weighted-average LTV, as determined by the model	97.3%

**Item 65. Evidence from subsequent sales of refinanced properties:**

Of the 1,496 mortgage loans in the collateral pool, 1,201 were taken out to refinance, rather than to purchase, properties. For those 1,201 loans, the value (denominator) in the LTV was an appraised value rather than a sale price. Of those 1,201 properties, 108 were subsequently sold for a total of approximately \$39,697,154. The total value ascribed to those same properties in the LTV data reported in the prospectus supplements and other documents sent to the Bank was \$66,798,500. Thus, those properties were sold for 59.4% of the value ascribed to them, a difference of 40.6%. This difference cannot be accounted for by declines in house prices in the areas in which those properties were located.

**Item 71. Undisclosed additional liens:**

- (a) Minimum number of properties with additional liens: 98
- (b) Total reduction in equity from additional liens: \$9,590,666
- (c) Weighted-average reduction in equity from additional liens: 52.0%

**Item 82. Untrue or misleading statements about compliance with USPAP:**

In the prospectus supplement, Bear Stearns and SAMI II made the following statement about the appraisals of the properties that secured the mortgage loans originated by GreenPoint Mortgage Funding, Inc.: "All appraisals are required to conform the [sic] Uniform Standards of



1 Professional Appraisal Practice adopted by the Appraisal Standard Board of the Appraisal  
2 Foundation.” SAMI 2007-AR5 Pros. Sup. S-46.

3 **Item 88. Untrue or misleading statements about owner-occupancy of the properties**  
4 **that secured the mortgage loans:**

5 In the prospectus supplement, Bear Stearns and SAMI II made the following statements  
6 about the occupancy status of the properties that secured the mortgage loans in the collateral pool  
7 of this securitization.

8 (a) In Schedule A of the prospectus supplement, described in Item 52, Bear Stearns  
9 and SAMI II presented a table entitled “Occupancy Status of Mortgage Properties in Total.” This  
10 table divided all of the mortgage loans in the collateral pool into the categories “Owner  
11 Occupied,” “Investor,” and “Second Home.” The table made untrue and misleading statements  
12 about the number of mortgage loans, the aggregate principal balance outstanding, and the percent  
13 of aggregate principal balance outstanding in each of these categories. SAMI 2007-AR5 Pros.  
14 Sup. A-4.

15 (b) In the “Occupancy Status of Mortgage Properties in Total” table, Bear Stearns and  
16 SAMI II stated that 85.63% of the mortgage loans in the collateral pool were secured by an  
17 “Owner Occupied” property, 12.47% by an “Investor” property, and 1.9% by a “Second Home.”  
18 SAMI 2007-AR5 Pros. Sup. A-4.

19 **Item 96. Details of properties that were stated to be owner-occupied, but were not:**

20 (a) **Number of loans on which the owner of the property instructed tax**  
21 **authorities to send property tax bills to him or her at a different address: 123**

22 (b) **Number of loans on which the owner of the property could have, but did not,**  
23 **designate the property as his or her homestead: 221**

24 (c) **Number of loans on which the owner of the property owned three or more**  
25 **properties: 32**

26 (d) **Number of loans that went straight from current to foreclosure or ownership**  
27 **by lender: 1**  
28

- (e) **Eliminating duplicates, number of loans about which one or more of statements (a) through (d) is true: 322**

**Item 99. Untrue or misleading statements about the underwriting standards of the originators of the mortgage loans:**

On pages S-44 through S-46 of the prospectus supplement, Bear Stearns and SAMI II made statements about the underwriting guidelines of GreenPoint Mortgage Funding, Inc. All of those statements are incorporated here by reference. In particular, Bear Stearns and SAMI II stated that:

(a) "Exceptions to the guidelines are permitted where compensating factors are present." SAMI 2007-AR5 Pros. Sup. S-44.

(b) "Generally, the GreenPoint underwriting guidelines are applied to evaluate the prospective borrower's credit standing and repayment ability and the value and adequacy of the mortgaged property as collateral." SAMI 2007-AR5 Pros. Sup. S-44.

**Item 106. Early payment defaults:**

(a) **Number of the mortgage loans that suffered EPDs: 25**

(b) **Percent of the mortgage loans that suffered EPDs: 1.7%**

(c) **Percent of all securitized, non-agency prime (including Alt-A) mortgage loans made at the same time as the loans in the collateral pool that experienced EPDs: 0.83%**

**Item 107. 90+ days delinquencies:**

(a) **Number of the mortgage loans that suffered 90+ days delinquencies: 484**

(b) **Percent of the mortgage loans that suffered 90+ days delinquencies: 32.4%**

(c) **Percent of all securitized, non-agency prime (including Alt-A) mortgage loans made at the same time as the loans in the collateral pool that suffered 90+ days delinquencies: 33.9%**

**Item 108. 30+ days delinquencies in this securitization:**

(a) **Number of the mortgage loans that were 30+ days delinquent on March 31, 2010: 485**

(b) Percent of the mortgage loans that were 30+ days delinquent on March 31, 2010: 32.4%

(c) Percent of all mortgage loans in the United States that were 30+ days delinquent on March 31, 2010: 14.7%

**Item 117. Statements about the ratings of the certificate(s) that the Bank purchased:**

On page S-7 of the prospectus supplement, Bear Stearns and SAMI II made statements about the ratings assigned to the certificates issued in this securitization. Bear Stearns and SAMI II stated that the Bank's certificate was rated Aaa by Moody's Investors Service, Inc. and AAA by Standard & Poor's Rating Services. These were the highest ratings available from these two rating agencies.

Bear Stearns and SAMI II also stated: "It is a condition to the issuance of the certificates that the offered certificates receive the following ratings from Standard & Poor's Rating Services . . . and Fitch Ratings . . ." The requirement for class A-1, from which this certificate was to be paid, was for AAA from Standard & Poor's and from Fitch. SAMI 2007-AR5 Pros. Sup. S-16.

Bear Stearns and SAMI II also stated: "It is a condition to the issuance of each class of Offered Certificates that it receives at least the ratings set forth below from S&P and Fitch." The requirement for class A-1, from which this certificate was to be paid, was for AAA from Standard & Poor's and from Fitch. SAMI 2007-AR5 Pros. Sup. S-113.

**Item 120. Summary of loans about which the Defendants made untrue or misleading statements:**

(a) Number of loans whose LTVs were materially understated: 761

(b) Number of loans in which the owner's equity was reduced by 5% or more by undisclosed additional liens: 98

(c) Number of loans that suffered EPDs: 25

(d) Number of loans in which the properties were stated to be owner-occupied but were not: 322

(e) Eliminating duplicates, number of loans about which the Defendants made untrue or misleading statements: 923

1 (f) Eliminating duplicates, percent of loans about which the Defendants made  
2 untrue or misleading statements: 61.7%  
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**SCHEDULE 33 TO THE AMENDED COMPLAINT**

To the extent that this Schedule is incorporated by reference into allegations in the complaint, those allegations are made against Defendants Bear Stearns and SAMI II.

**Item 44. Details of trust and certificate(s).**

(a) **Dealer that sold the certificate(s) to the Bank:** Bear Stearns.

(b) **Description of the trust:** Bear Stearns Alt-A Trust, Mortgage Pass-Through Certificates, Series 2005-9 was a securitization in September 2005 of 8,075 mortgage loans, in two groups. The mortgage loans in the collateral pool of this securitization were originated by Countrywide Home Loans, Inc., EMC Mortgage Corporation, Bear Stearns Residential Mortgage Corporation, and various undisclosed originators. EMC Mortgage Corporation originated 52.9% of the loans in the collateral pool and Countrywide Home Loans, Inc. originated 31.56%. EMC Mortgage Corporation originated 75.81% of the loans in group I and Countrywide Home Loans, Inc. originated 12.01%. Countrywide Home Loans, Inc. originated 20.98% of the subset of loans in sub-group II-1 and EMC Mortgage Corporation originated 15.87%. EMC Mortgage Corporation originated 88.39% of the loans in sub-group II-2. EMC Mortgage Corporation originated 72.54% of the loans in sub-group II-3 and Countrywide Home Loans, Inc. originated 21.44%. Countrywide Home Loans, Inc. originated 47.65% of the loans in sub-group II-4 and EMC Mortgage Corporation originated 39.75%. Countrywide Home Loans, Inc. originated 53.43% of the loans in sub-loan group II-5 and EMC Mortgage Corporation originated 28.63%. Countrywide Home Loans, Inc. originated 95.38% of the loans in sub-loan group II-6. BALTA 2005-9 Pros. Sup. S-5, S-46, and S-52.

(c) **Description of the certificate(s) that the Bank purchased:** Bear Stearns offered and sold to the Bank a senior certificate in this securitization, in tranche II-5A-1, for which the Bank paid \$102,238,423 plus accrued interest on September 30, 2005.

(d) **Ratings of the certificate(s) when the Bank purchased them:** Standard & Poor's— AAA; Moody's— Aaa.

(e) **Current ratings of the certificate(s):** Standard & Poor's— CCC; Moody's— B1.

(f) URL of prospectus supplement for this securitization:

[http://www.sec.gov/Archives/edgar/data/1243106/000112528205005084/b409035\\_424b5.txt](http://www.sec.gov/Archives/edgar/data/1243106/000112528205005084/b409035_424b5.txt)

**Item 52. Untrue or misleading statements about the LTVs of the mortgage loans:**

In the prospectus supplement, Bear Stearns and SAMI II made the following statements about the LTVs of the mortgage loans in the collateral pool of this securitization.

(a) The weighted-average LTV at origination of the mortgage loans in group I was 77.7%. BALTA 2005-9 Pros. Sup. S-7 and A-3.

(b) The weighted-average LTV at origination of the mortgage loans in sub-loan group II-1 was 76.88%. BALTA 2005-9 Pros. Sup. S-7 and A-14.

(c) The weighted-average LTV at origination of the mortgage loans in sub-loan group II-2 was 76.57%. BALTA 2005-9 Pros. Sup. S-8 and A-24.

(d) The weighted-average LTV at origination of the mortgage loans in sub-loan group II-3 was 73.89%. BALTA 2005-9 Pros. Sup. S-8 and A-36.

(e) The weighted-average LTV at origination of the mortgage loans in sub-loan group II-4 was 75.09%. BALTA 2005-9 Pros. Sup. S-9 and A-47.

(f) The weighted-average LTV at origination of the mortgage loans in sub-loan group II-5 was 75.60%. BALTA 2005-9 Pros. Sup. S-9 and A-57.

(g) The weighted-average LTV at origination of the mortgage loans in sub-loan group II-6 was 74.56%. BALTA 2005-9 Pros. Sup. S-10 and A-68.

(h) The weighted-average LTV at origination for the mortgage loans in group II was 75.55%. BALTA 2005-9 Pros. Sup. S-10 and A-76.

(i) In Schedule A of the prospectus supplement ("Certain Characteristics of the Mortgage Loans"), Bear Stearns and SAMI II presented tables of statistics about the mortgage loans in the collateral pool. BALTA 2005-9 Pros. Sup. A-1 to A-84. Each table focused on a certain characteristic of the loans (for example, principal balance at origination) and divided the loans into categories based on that characteristic (for example, loans with principal balances at origination of \$0 to \$100,000, \$100,001 to \$200,000, \$200,001 to \$300,000, etc.). Each table then presented various data about the loans in each category. One of the tables, entitled "Original

1 Loan-to-Value Ratios in Total Group I," divided the loans in group I into 13 categories original  
 2 LTV (for example, 0% to 30%, 30.01% to 40%, 40.01% to 50%, etc.). The table made untrue and  
 3 misleading statements about the number of mortgage loans, the aggregate principal balance  
 4 outstanding, and the percent of aggregate principal balance outstanding in each of these  
 5 categories. BALTA 2005-9 Pros. Sup. A-3.

6 (j) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Original  
 7 Loan-to-Value Ratios in Loan Group II-1." This table divided the mortgage loans in sub-loan  
 8 group II-1 into 12 categories of original LTV (for example, 0% to 30%, 30.01% to 40%, 40.01%  
 9 to 50%, etc.). The table made untrue and misleading statements about the number of mortgage  
 10 loans, the aggregate principal balance outstanding, and the percent of aggregate principal balance  
 11 outstanding in each of these categories. BALTA 2005-9 Pros. Sup. A-14.

12 (k) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Original  
 13 Loan-to-Value Ratios in Loan Group II-2." This table divided the mortgage loans in sub-loan  
 14 group II-2 into 13 categories of original LTV (for example, 0% to 30%, 30.01% to 40%, 40.01%  
 15 to 50%, etc.). The table made untrue and misleading statements about the number of mortgage  
 16 loans, the aggregate principal balance outstanding, and the percent of aggregate principal balance  
 17 outstanding in each of these categories. BALTA 2005-9 Pros. Sup. A-24.

18 (l) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Original  
 19 Loan-to-Value Ratios in Loan Group II-3." This table divided the mortgage loans in sub-loan  
 20 group II-3 into nine categories of original LTV (for example, 40.01% to 50%, 50.01% to 55%,  
 21 55.01% to 60%, etc.). The table made untrue and misleading statements about the number of  
 22 mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate  
 23 principal balance outstanding in each of these categories. BALTA 2005-9 Pros. Sup. A-36.

24 (m) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Original  
 25 Loan-to-Value Ratios in Loan Group II-4." This table divided the mortgage loans in sub-loan  
 26 group II-4 into 12 categories of original LTV (for example, 0% to 30%, 30.01% to 40%, 40.01%  
 27 to 50%, etc.). The table made untrue and misleading statements about the number of mortgage  
 28

1 loans, the aggregate principal balance outstanding, and the percent of aggregate principal balance  
2 outstanding in each of these categories. BALTA 2005-9 Pros. Sup. A-47.

3 (n) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Original  
4 Loan-to-Value Ratios in Loan Group II-5." This table divided the mortgage loans in sub-loan  
5 group II-5 into 11 categories of original LTV (for example, 30.01% to 40%, 40.01% to 50%,  
6 50.01% to 60%, etc.). The table made untrue and misleading statements about the number of  
7 mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate  
8 principal balance outstanding in each of these categories. BALTA 2005-9 Pros. Sup. A-57.

9 (o) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Original  
10 Loan-to-Value Ratios in Loan Group II-6." This table divided the mortgage loans in sub-loan  
11 group II-6 into nine categories of original LTV (for example, 30.01% to 40%, 40.01% to 50%,  
12 50.01% to 60%, etc.). The table made untrue and misleading statements about the number of  
13 mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate  
14 principal balance outstanding in each of these categories. BALTA 2005-9 Pros. Sup. A-68.

15 (p) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Original  
16 Loan-to-Value Ratios in Total Group II." This table divided the mortgage loans in group II into  
17 13 categories of original LTV (for example, 0% to 30%, 30.01% to 40%, 40.01% to 50%, etc.).  
18 The table made untrue and misleading statements about the number of mortgage loans, the  
19 aggregate principal balance outstanding, and the percent of aggregate principal balance  
20 outstanding in each of these categories. BALTA 2005-9 Pros. Sup. A-76.



**Item 62. Details of the results of the AVM analysis:**

Number of loans	8,075
Number of properties on which there was enough information for the model to determine a true market value	3,280
Number of loans on which the stated value was 105% or more of the true market value as reported by the model	1,754
Aggregate amount by which the stated values of those properties exceeded their true market values as reported by the model	\$144,836,759
Number of loans on which the stated value was 95% or less of the true market value as reported by the model	620
Aggregate amount by which the true market values of those properties exceed their stated values	\$47,999,918
Number of loans with LTVs over 100%, as stated by Defendants	0
Number of loans with LTVs over 100%, as determined by the model	359
Weighted-average LTV, as stated by Defendants	75.60
Weighted-average LTV, as determined by the model	85.8%

**Item 65. Evidence from subsequent sales of refinanced properties:**

Of the 8,075 mortgage loans in the collateral pool, 1,725 were taken out to refinance, rather than to purchase, properties. For those 1,725 loans, the value (denominator) in the LTV was an appraised value rather than a sale price. Of those 1,725 properties, 125 were subsequently sold for a total of approximately \$64,563,293. The total value ascribed to those same properties in the LTV data reported in the prospectus supplements and other documents sent to the Bank was \$72,284,875. Thus, those properties were sold for 89.3% of the value ascribed to them, a difference of 10.7%. This difference cannot be accounted for by declines in house prices in the areas in which those properties were located.

**Item 71. Undisclosed additional liens:**

- (a) Minimum number of properties with additional liens: 349
- (b) Total reduction in equity from additional liens: \$36,278,782
- (c) Weighted-average reduction in equity from additional liens: 79.5%

**Item 82. Untrue or misleading statements about compliance with USPAP:**

In the prospectus supplement, Bear Stearns and SAMI II made the following statement about the appraisals of the properties that secured the mortgage loans originated by Countrywide:

1 "All appraisals are required to conform to Fannie Mae or Freddie Mac appraisal standards then in  
2 effect." BALTA 2005-9 Pros. Sup. S-49.

3 In the prospectus, Bear Stearns and SAMI II made the following statement about the  
4 appraisals of the properties that secured the mortgage loans in this securitization: "All appraisals  
5 by licensed appraisers are required to be on forms acceptable to Fannie Mae or Freddie Mac."  
6 BALTA 2005-9 Pros. 13.

7 **Item 88. Untrue or misleading statements about owner-occupancy of the properties**  
8 **that secured the mortgage loans:**

9 In the prospectus supplement, Bear Stearns and SAMI II made the following statements  
10 about the occupancy status of the properties that secured the mortgage loans in the collateral pool  
11 of this securitization.

12 (a) In Schedule A of the prospectus supplement, described in Item 52, Bear Stearns  
13 and SAMI II presented a table entitled "Occupancy Status of Mortgage Properties in Total Group  
14 I." This table divided the mortgage loans in group I into the categories "Owner Occupied,"  
15 "Investor," and "Second Home." The table made untrue and misleading statements about the  
16 number of mortgage loans, the aggregate principal balance outstanding, and the percent of  
17 aggregate principal balance outstanding in each of these categories. BALTA 2005-9 Pros. Sup. A-  
18 5.

19 (b) In the "Occupancy Status of Mortgage Properties in Total Group I" table, Bear  
20 Stearns and SAMI II stated that 60.01% of the mortgage loans in group I were secured by an  
21 "Owner Occupied" property, 32.99% by an "Investor" property, and 7% by a "Second Home."  
22 BALTA 2005-9 Pros. Sup. A-5.

23 (c) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Occupancy  
24 Status of Mortgage Properties in Loan Group II-1." This table divided the mortgage loans in sub-  
25 loan group II-1 into the categories "Owner Occupied," "Investor," and "Second Home." The table  
26 made untrue and misleading statements about the number of mortgage loans, the aggregate  
27 principal balance outstanding, and the percent of aggregate principal balance outstanding in each  
28 of these categories. BALTA 2005-9 Pros. Sup. A-16.

1 (d) In the "Occupancy Status of Mortgage Properties in Loan Group II-1" table, Bear  
2 Stearns and SAMI II stated that 82.82% of the mortgage loans in sub-loan group II-1 were  
3 secured by an "Owner Occupied" property, 9.97% by an "Investor" property, and 7.21% by a  
4 "Second Home." BALTA 2005-9 Pros. Sup. A-16.

5 (e) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Occupancy  
6 Status of Mortgage Properties in Loan Group II-2." This table divided the mortgage loans in sub-  
7 loan group II-2 into the categories "Owner Occupied," "Investor," and "Second Home." The table  
8 made untrue and misleading statements about the number of mortgage loans, the aggregate  
9 principal balance outstanding, and the percent of aggregate principal balance outstanding in each  
10 of these categories. BALTA 2005-9 Pros. Sup. A-27.

11 (f) In the "Occupancy Status of Mortgage Properties in Loan Group II-2" table, Bear  
12 Stearns and SAMI II stated that 69.9% of the mortgage loans in sub-loan group II-2 were secured  
13 by an "Owner Occupied" property, 23.32% by an "Investor" property, and 6.79% by a "Second  
14 Home." BALTA 2005-9 Pros. Sup. A-27.

15 (g) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Occupancy  
16 Status of Mortgage Properties in Loan Group II-3." This table divided the mortgage loans in sub-  
17 loan group II-3 into the categories "Owner Occupied," "Investor," and "Second Home." The table  
18 made untrue and misleading statements about the number of mortgage loans, the aggregate  
19 principal balance outstanding, and the percent of aggregate principal balance outstanding in each  
20 of these categories. BALTA 2005-9 Pros. Sup. A-38.

21 (h) In the "Occupancy Status of Mortgage Properties in Loan Group II-3" table, Bear  
22 Stearns and SAMI II stated that 83.01% of the mortgage loans in sub-loan group II-3 were  
23 secured by an "Owner Occupied" property, 10.72% by an "Investor" property, and 6.28% by a  
24 "Second Home." BALTA 2005-9 Pros. Sup. A-38.

25 (i) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Occupancy  
26 Status of Mortgage Properties in Loan Group II-4." This table divided the mortgage loans in sub-  
27 loan group II-4 into the categories "Owner Occupied," "Investor," and "Second Home." The table  
28 made untrue and misleading statements about the number of mortgage loans, the aggregate



1 principal balance outstanding, and the percent of aggregate principal balance outstanding in each  
2 of these categories. BALTA 2005-9 Pros. Sup. A-50.

3 (j) In the "Occupancy Status of Mortgage Properties in Loan Group II-4" table, Bear  
4 Stearns and SAMI II stated that 87.3% of the mortgage loans in sub-loan group II-4 were secured  
5 by an "Owner Occupied" property, 5.44% by an "Investor" property, and 7.26% by a "Second  
6 Home." BALTA 2005-9 Pros. Sup. A-50.

7 (k) In Schedule A, Bear Stearns and SAMI II presented a similar table entitled  
8 "Occupancy Status of Mortgage Properties in Loan Group II-5." This table divided the mortgage  
9 loans in sub-loan group II-5 into the categories "Owner Occupied," "Investor," and "Second  
10 Home." The table made untrue and misleading statements about the number of mortgage loans,  
11 the aggregate principal balance outstanding, and the percent of aggregate principal balance  
12 outstanding in each of these categories. BALTA 2005-9 Pros. Sup. A-60.

13 (l) In the "Occupancy Status of Mortgage Properties in Loan Group II-5" table, Bear  
14 Stearns and SAMI II stated that 84.33% of the mortgage loans in sub-loan group II-5 were  
15 secured by an "Owner Occupied" property, 10.44% by an "Investor" property, and 5.23% by a  
16 "Second Home." BALTA 2005-9 Pros. Sup. A-60.

17 (m) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Occupancy  
18 Status of Mortgage Properties in Loan Group II-6." This table divided the mortgage loans in sub-  
19 loan group II-6 into the categories "Owner Occupied," "Investor," and "Second Home." The table  
20 made untrue and misleading statements about the number of mortgage loans, the aggregate  
21 principal balance outstanding, and the percent of aggregate principal balance outstanding in each  
22 of these categories. BALTA 2005-9 Pros. Sup. A-69.

23 (n) In the "Occupancy Status of Mortgage Properties in Loan Group II-6" table, Bear  
24 Stearns and SAMI II stated that 86.76% of the mortgage loans in sub-loan group II-6 were  
25 secured by an "Owner Occupied" property, 8.15% by an "Investor" property, and 5.09% by a  
26 "Second Home." BALTA 2005-9 Pros. Sup. A-69.

27 (o) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Occupancy  
28 Status of Mortgage Properties in Total Group II." This table divided the mortgage loans in group



II into the categories "Owner Occupied," "Investor," and "Second Home." The table made untrue and misleading statements about the number of mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate principal balance outstanding in each of these categories. BALTA 2005-9 Pros. Sup. A-78.

(p) In the "Occupancy Status of Mortgage Properties in Total Group II" table, Bear Stearns and SAMI II stated that 81.06% of the mortgage loans in group II, by aggregate stated principal balance outstanding, were secured by an "Owner Occupied" property, 12.67% by an "Investor" property, and 6.28% by a "Second Home." BALTA 2005-9 Pros. Sup. A-78.

**Item 96. Details of properties that were stated to be owner-occupied, but were not:**

- (a) Number of loans on which the owner of the property instructed tax authorities to send property tax bills to him or her at a different address: 294
- (b) Number of loans on which the owner of the property could have, but did not, designate the property as his or her homestead: 469
- (c) Number of loans on which the owner of the property owned three or more properties: 28
- (d) Number of loans that went straight from current to foreclosure or ownership by lender: 1
- (e) Eliminating duplicates, number of loans about which one or more of statements (a) through (d) is true: 665

**Item 99. Untrue or misleading statements about the underwriting standards of the originators of the mortgage loans:**

On pages S-46 through S-52 of the prospectus supplement, Bear Stearns and SAMI II made statements about the underwriting guidelines of Countrywide Home Loans, Inc. All of those statements are incorporated here by reference. In particular, Bear Stearns and SAMI II stated that:

- (a) "Exceptions to Countrywide's underwriting guidelines may be made if compensating factors are demonstrated by a prospective borrower." BALTA 2005-9 Pros. Sup. S-48.

(b) "Countrywide Home Loans' underwriting standards are applied by or on behalf of Countrywide Home Loans to evaluate the prospective borrower's credit standing and repayment ability and the value and adequacy of the mortgaged property as collateral." BALTA 2005-9 Pros. Sup. S-47.

On pages S-53 through S-54 of the prospectus supplement, Bear Stearns and SAMI II made statements about the underwriting guidelines of EMC Mortgage Corporation. All of those statements are incorporated here by reference. In particular, Bear Stearns and SAMI II stated that:

(a) "Exceptions to the underwriting standards are permitted where compensating factors are present." BALTA 2005-9 Pros. Sup. S-53.

(b) "Such underwriting standards are applied to evaluate the prospective borrower's credit standing and repayment ability and the value and adequacy of the mortgaged property as collateral." BALTA 2005-9 Pros. Sup. S-53.

**Item 106. Early payment defaults:**

(a) **Number of the mortgage loans that suffered EPDs: 103**

(b) **Percent of the mortgage loans that suffered EPDs: 1.3%**

(c) **Percent of all securitized, non-agency prime (including Alt-A) mortgage loans made at the same time as the loans in the collateral pool that experienced EPDs: 0.18%**

**Item 107. 90+ days delinquencies:**

(a) **Number of the mortgage loans that suffered 90+ days delinquencies: 2,614**

(b) **Percent of the mortgage loans that suffered 90+ days delinquencies: 32.4%**

(c) **Percent of all securitized, non-agency prime (including Alt-A) mortgage loans made at the same time as the loans in the collateral pool that suffered 90+ days delinquencies: 16.5%**

**Item 108. 30+ days delinquencies in this securitization:**

(a) **Number of the mortgage loans that were 30+ days delinquent on March 31, 2010: 2,493**

(b) Percent of the mortgage loans that were 30+ days delinquent on March 31, 2010: 30.9%

(c) Percent of all mortgage loans in the United States that were 30+ days delinquent on March 31, 2010: 14.7%

**Item 117. Statements about the ratings of the certificate(s) that the Bank purchased:**

On pages S-2 to S-4 of the prospectus supplement, Bear Stearns and SAMI II made statements about the ratings assigned to the certificates issued in this securitization. Bear Stearns and SAMI II stated that the Bank's certificate was rated Aaa by Moody's Investors Service, Inc. and AAA by Standard & Poor's Rating Services. These were the highest ratings available from these two rating agencies.

Bear Stearns and SAMI II also stated: "It is a condition to the issuance of the certificates that the offered certificates receive the following ratings from Standard & Poors [sic] Rating Services . . . which is referred to here as S&P, and Moody's Investors Service, Inc. . . ." The requirement for class II-5A-1, from which this certificate was to be paid, was for AAA from Standard & Poor's and Aaa from Moody's. BALTA 2005-9 Pros. Sup. S-18 to S-19.

Bear Stearns and SAMI II also stated: "It is a condition to the issuance of each class of Offered Certificates that it receives at least the ratings set forth below from S&P and Moody's." The requirement for class II-5A-1, from which this certificate was to be paid, was for AAA from Standard & Poor's and Aaa from Moody's. BALTA 2005-9 Pros. Sup. S-113.

**Item 120. Summary of loans about which the Defendants made untrue or misleading statements:**

(a) Number of loans whose LTVs were materially understated: 1,754

(b) Number of loans in which the owner's equity was reduced by 5% or more by undisclosed additional liens: 349

(c) Number of loans that suffered EPDs: 103

(d) Number of loans in which the properties were stated to be owner-occupied but were not: 665

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- (e) **Eliminating duplicates, number of loans about which the Defendants made untrue or misleading statements: 2,348**
- (f) **Eliminating duplicates, percent of loans about which the Defendants made untrue or misleading statements: 29.1%**



**SCHEDULE 34 TO THE AMENDED COMPLAINT**

To the extent that this Schedule is incorporated by reference into allegations in the complaint, those allegations are made against Defendant Bear Stearns.

**Item 44. Details of trust and certificate(s).**

(a) **Dealer that sold the certificate(s) to the Bank:** Bear Stearns.

(b) **Description of the trust:** First Horizon Alternative Mortgage Securities Trust, Mortgage Pass-Through Certificates, Series 2005-AA6 was a securitization in June 2005 of 2,438 mortgage loans, in three pools. The mortgage loans in the collateral pool of this securitization were originated or acquired by First Horizon Home Loan Corporation. FHAMS 2005-AA6 Pros. Sup. S-6.

(c) **Description of the certificate(s) that the Bank purchased:** Bear Stearns offered and sold to the Bank a senior certificate in this securitization, in tranche II-A-1, for which the Bank paid \$290,952,545 plus accrued interest on June 30, 2005.

(d) **Ratings of the certificate(s) when the Bank purchased them:** Standard & Poor's— AAA; Moody's— Aaa.

(e) **Current ratings of the certificate(s):** Standard & Poor's— A; Moody's— Ba1.

(f) **URL of prospectus supplement for this securitization:**

<http://www.sec.gov/Archives/edgar/data/1081915/000095011705002529/a40061.txt>

**Item 52. Untrue or misleading statements about the LTVs of the mortgage loans:**

In the prospectus supplement, Bear Stearns made the following statements about the LTVs of the mortgage loans in the collateral pool of this securitization.

(a) "No mortgage loan has a loan-to-value ratio at origination of more than 95%." FHAMS 2005-AA6 Pros. Sup. S-21.

(b) In Annex I of the prospectus supplement, Bear Stearns presented tables of statistics about the mortgage loans in Pool I. FHAMS 2005-AA6 Pros. Sup. I-1 to I-2. Each table focused on a certain characteristic of the loans (for example, current principal balance) and divided the loans into categories based on that characteristic (for example, loans with current principal

1 balances of less than \$250,001, \$250,001 to \$300,000, \$300,001 to \$350,000, etc.). Each table  
 2 then presented various data about the loans in each category. One of the tables, entitled "Original  
 3 Loan-to-Value Ratios For The Mortgage Loans in Pool I," divided the loans in Pool I into 10  
 4 categories of original LTV (for example, 50% and below, 50.01% to 55%, 55.01% to 60%, etc.).  
 5 The table made untrue and misleading statements about the number of mortgage loans, the  
 6 aggregate principal balance outstanding, and the percent of aggregate principal balance  
 7 outstanding in each of these categories. FHAMS 2005-AA6 Pros. Sup. I-1.

8 (c) "The weighted average original loan-to-value ratio of the mortgage loans in Pool I  
 9 is expected to be approximately 73.49%." FHAMS 2005-AA6 Pros. Sup. I-1.

10 (d) In Annex II of the prospectus supplement, Bear Stearns presented similar tables of  
 11 statistics about the mortgage loans in Pool II. FHAMS 2005-AA6 Pros. Sup. II-1 to II-2. One of  
 12 the tables, entitled "Original Loan-to-Value Ratios For The Mortgage Loans in Pool II," divided  
 13 the loans in Pool II into 10 categories of original LTV (for example, 50% and below, 50.01% to  
 14 55%, 55.01% to 60%, etc.). The table made untrue and misleading statements about the number  
 15 of mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate  
 16 principal balance outstanding in each of these categories. FHAMS 2005-AA6 Pros. Sup. II-1.

17 (e) "The weighted average original loan-to-value ratio of the mortgage loans in Pool II  
 18 is expected to be approximately 75.73%." FHAMS 2005-AA6 Pros. Sup. II-1.

19 (f) In Annex III of the prospectus supplement, Bear Stearns presented similar tables of  
 20 statistics about the mortgage loans in Pool III. FHAMS 2005-AA6 Pros. Sup. III-1 to III-2. One  
 21 of the tables, entitled "Original Loan-to-Value Ratios For The Mortgage Loans in Pool III,"  
 22 divided the loans in Pool III into nine categories of original LTV (for example, 50% and below,  
 23 50.01% to 55%, 55.01% to 60%, etc.). The table made untrue and misleading statements about  
 24 the number of mortgage loans, the aggregate principal balance outstanding, and the percent of  
 25 aggregate principal balance outstanding in each of these categories. FHAMS 2005-AA6 Pros.  
 26 Sup. III-1.

27 (g) "The weighted-average original loan-to-value ratio of the mortgage loans in Pool  
 28 III is expected to be approximately 73.28%." FHAMS 2005-AA6 Pros. Sup. III-1.

**Item 62. Details of the results of the AVM analysis:**

Number of loans	2,438
Number of properties on which there was enough information for the model to determine a true market value	1,389
Number of loans on which the stated value was 105% or more of the true market value as reported by the model	655
Aggregate amount by which the stated values of those properties exceeded their true market values as reported by the model	\$33,182,619
Number of loans on which the stated value was 95% or less of the true market value as reported by the model	235
Aggregate amount by which the true market values of those properties exceed their stated values	\$12,227,507
Number of loans with LTVs over 100%, as stated by Defendants	0
Number of loans with LTVs over 100%, as determined by the model	78
Weighted-average LTV, as stated by Defendants (pool II)	75.7%
Weighted-average LTV, as determined by the model (pool II)	81.9%

**Item 71. Undisclosed additional liens:**

- (a) Minimum number of properties with additional liens: 1,119
- (b) Total reduction in equity from additional liens: \$60,187,927
- (c) Weighted-average reduction in equity from additional liens: 85.1%

**Item 82. Untrue or misleading statements about compliance with USPAP:**

In the prospectus, Bear Stearns made the following statement about the appraisals of the properties that secured the mortgage loans originated by First Horizon Home Loan Corporation:

"First Horizon's underwriting standards generally follow guidelines acceptable to Fannie Mae and Freddie Mac, except for maximum loan size. In determining the adequacy of the property as collateral, an independent appraisal is made of each property considered for financing. The appraiser is required to inspect the property and verify that it is in good condition and that construction, if new, has been completed. The appraisal is based on the appraiser's judgment of values, giving appropriate weight to both the market value of comparable homes and the cost of replacing the property." FHAMS 2005-AA6 Pros. 27.

**Item 88. Untrue or misleading statements about owner-occupancy of the properties that secured the mortgage loans:**

In the prospectus supplement, Bear Stearns made the following statements about the occupancy status of the properties that secured the mortgage loans in the collateral pool of this securitization.

(a) In Annex I of the prospectus supplement, described in Item 52, Bear Stearns presented a table entitled "Occupancy Types for the Mortgage Loans in Pool I." This table divided the mortgage loans in Pool I into the categories "Primary Residence," "Investor Property," and "Second Residence." The table made untrue and misleading statements about the number of mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate principal balance outstanding in each of these categories. FHAMS 2005-AA6 Pros. Sup. I-2.

(b) In the "Occupancy Types for the Mortgage Loans in Pool I" table, Bear Stearns stated that 71.08% of the mortgage loans in Pool I were secured by a "Primary Residence," 24.83% by an "Investor Property," and 4.09% by a "Second Residence." FHAMS 2005-AA6 Pros. Sup. I-2.

(c) In Annex II of the prospectus supplement, described in Item 52, Bear Stearns presented a similar table entitled "Occupancy Types for the Mortgage Loans in Pool II." This table divided the mortgage loans in Pool II into the categories "Primary Residence," "Investor Property," and "Second Residence." The table made untrue and misleading statements about the number of mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate principal balance outstanding in each of these categories. FHAMS 2005-AA6 Pros. Sup. II-2.

(d) In the "Occupancy Types for the Mortgage Loans in Pool II" table, Bear Stearns stated that 74.3% of the mortgage loans in Pool II were secured by a "Primary Residence," 21.58% by an "Investor Property," and 4.12% by a "Second Residence." FHAMS 2005-AA6 Pros. Sup. II-2.



(e) In Annex III of the prospectus supplement, described in Item 52, Bear Stearns presented a table entitled "Occupancy Types for the Mortgage Loans in Pool III." This table divided the mortgage loans in Pool III into the categories "Primary Residence," "Investor Property," and "Second Residence." The table made untrue and misleading statements about the number of mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate principal balance outstanding in each of these categories. FHAMS 2005-AA6 Pros. Sup. III-2.

(f) In the "Occupancy Types for the Mortgage Loans in Pool III" table, Bear Stearns stated that 82.28% of the mortgage loans in Pool III were secured by a "Primary Residence," 14.74% by an "Investor Property," and 2.99% by a "Second Residence." FHAMS 2005-AA6 Pros. Sup. III-2.

**Item 96. Details of properties that were stated to be owner-occupied, but were not:**

- (a) Number of loans on which the owner of the property instructed tax authorities to send property tax bills to him or her at a different address: 180
- (b) Number of loans on which the owner of the property could have, but did not, designate the property as his or her homestead: 200
- (c) Number of loans on which the owner of the property owned three or more properties: 10
- (d) Eliminating duplicates, number of loans about which one or more of statements (a) through (c) is true: 342

**Item 99. Untrue or misleading statements about the underwriting standards of the originators of the mortgage loans:**

On pages 26 through 28 of the prospectus, Bear Stearns made statements about the underwriting guidelines of First Horizon Home Loan Corporation, which originated the mortgage loans in the collateral pool of this securitization. All of those statements are incorporated here by reference. In particular, Bear Stearns stated that:

- (a) "[A] mortgage loan will be considered to be originated in accordance with a given set of underwriting standards if, based on an overall qualitative evaluation, the loan substantially

1 complies with the underwriting standards. For example, a mortgage loan may be considered to  
 2 comply with a set of underwriting standards, even if one or more specific criteria included in the  
 3 underwriting standards were not satisfied, if other factors compensated for the criteria that were  
 4 not satisfied or if the mortgage loan is considered to be in substantial compliance with the  
 5 underwriting standards." FHAMS 2005-AA6 Pros. 26.

6 (b) "First Horizon's Underwriting standards are intended to evaluate the prospective  
 7 mortgagor's credit standing and repayment ability, and the value and adequacy of the proposed  
 8 property as collateral." FHAMS 2005-AA6 Pros. 27.

9 (c) "Underwriting standards are applied by or on behalf of a lender to evaluate a  
 10 borrower's credit standing and repayment ability, and the value and adequacy of the related  
 11 Property as collateral." FHAMS 2005-AA6 Pros. 27.

12 **Item 106. Early payment defaults:**

- 13 (a) **Number of the mortgage loans that suffered EPDs: 5**  
 14 (b) **Percent of the mortgage loans that suffered EPDs: 0.2%**  
 15 (c) **Percent of all securitized, non-agency prime (including Alt-A) mortgage loans**  
 16 **made at the same time as the loans in the collateral pool that experienced**  
 17 **EPDs: 0.18%**

18 **Item 107. 90+ days delinquencies:**

- 19 (a) **Number of the mortgage loans that suffered 90+ days delinquencies: 337**  
 20 (b) **Percent of the mortgage loans that suffered 90+ days delinquencies: 13.8%**  
 21 (c) **Percent of all securitized, non-agency prime (including Alt-A) mortgage loans**  
 22 **made at the same time as the loans in the collateral pool that suffered 90+**  
 23 **days delinquencies: 16.5%**

24 **Item 108. 30+ days delinquencies in this securitization:**

- 25 (a) **Number of the mortgage loans that were 30+ days delinquent on March 31,**  
 26 **2010: 342**  
 27 (b) **Percent of the mortgage loans that were 30+ days delinquent on March 31,**  
 28 **2010: 14.0%**

- 1           (c)    **Percent of all mortgage loans in the United States that were 30+ days**  
 2               **delinquent on March 31, 2010: 14.7%**

3   **Item 117.    Statements about the ratings of the certificate(s) that the Bank purchased:**

4           On page S-9 of the prospectus supplement, Bear Stearns made statements about the  
 5 ratings assigned to the certificates issued in this securitization. Bear Stearns stated that the Bank's  
 6 certificate was to be rated Aaa by Moody's Investors Service, Inc. and AAA by Standard &  
 7 Poor's Rating Services. These were the highest ratings available from these two rating agencies.

8           Bear Stearns also stated: "The . . . Class II-A-1 . . . Certificates will not be offered unless  
 9 they are rated "AAA" and "Aaa" by S&P and Moody's, respectively." FHAMS 2005-AA6 Pros.  
 10 Sup. S-9.

11           Bear Stearns also stated: "It is a condition to the issuance of the senior certificates that  
 12 they be rated "AAA" by S&P. It is a condition to the issuance of the Class I-A-1, Class I-A-R,  
 13 Class II-A-1, Class II-A-2, Class III-A-1, Class III-A-2 and Class III-A-IO Certificates, that they  
 14 be rated "Aaa" by Moody's." FHAMS 2005-AA6 Pros. Sup. S-53 to S-54.

15   **Item 120.    Summary of loans about which the Defendants made untrue or misleading**  
 16               **statements:**

- 17           (a)    **Number of loans whose LTVs were materially understated: 655**  
 18           (b)    **Number of loans in which the owner's equity was reduced by 5% or more by**  
 19               **undisclosed additional liens: 1,119**  
 20           (c)    **Number of loans that suffered EPDs: 5**  
 21           (d)    **Number of loans in which the properties were stated to be owner-occupied**  
 22               **but were not: 342**  
 23           (e)    **Eliminating duplicates, number of loans about which the Defendants made**  
 24               **untrue or misleading statements: 1,509**  
 25           (f)    **Eliminating duplicates, percent of loans about which the Defendants made**  
 26               **untrue or misleading statements: 61.9%**  
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 28

**SCHEDULE 35 TO THE AMENDED COMPLAINT**

To the extent that this Schedule is incorporated by reference into allegations in the complaint, those allegations are made against Defendants Bear Stearns and SAMI II.

**Item 44. Details of trust and certificate(s).**

(a) **Dealer that sold the certificate(s) to the Bank:** Bear Stearns.

(b) **Description of the trust:** Bear Stearns Alt-A Trust, Mortgage Pass-Through Certificates, Series 2005-3 was a securitization in March 2005 of 5,001 mortgage loans, in four groups. The mortgage loans in the collateral pool of this securitization were originated by EMC Mortgage Corporation, GMAC Mortgage Corporation, and various undisclosed originators. EMC Mortgage Corporation originated 49.03% of the loans in the collateral pool and GMAC Mortgage Corporation originated 16.03%. EMC Mortgage Corporation originated 41.28% of the loans in Group I and 39.09% of the loans in Group II. EMC Mortgage Corporation originated 53.94% of the loans in Group III and GMAC Mortgage Corporation originated 15.89%. EMC Mortgage Corporation originated 47.58% of the loans in Group IV and GMAC Mortgage Corporation originated 26.98%. BALTA 2005-03 Pros. Sup. S-4, S-28 and S-30.

(c) **Description of the certificate(s) that the Bank purchased:** Bear Stearns offered and sold to the Bank two senior certificates in this securitization, in tranches III-A-1 and IV-A-1, for which the Bank paid \$252,617,188 and \$180,536,016 plus accrued interest, respectively, on March 31, 2005.

(d) **Ratings of the certificate(s) when the Bank purchased them:**

Certificate: III-A-1; Standard & Poor's— AAA; Moody's— Aaa.

Certificate: IV-A-1; Standard & Poor's— AAA; Moody's— Aaa

(e) **Current ratings of the certificate(s):**

Certificate: III-A-1; Standard & Poor's— BBB-; Moody's— Baal.

Certificate: IV-A-1; Standard & Poor's— BBB-; Moody's— A1.



## (f) URL of prospectus supplement for this securitization:

<http://www.sec.gov/Archives/edgar/data/1243106/000106823805000252/bsalta032905prosapp.htm>

**Item 52. Untrue or misleading statements about the LTVs of the mortgage loans:**

In the prospectus supplement, Bear Stearns and SAMI II made the following statements about the LTVs of the mortgage loans in the collateral pool of this securitization.

(a) The weighted-average LTV at origination of the mortgage loans in Group I was 78.91%. BALTA 2005-3 Pros. Sup. S-5.

(b) The weighted-average LTV at origination of the mortgage loans in Group II was 74.61%. BALTA 2005-3 Pros. Sup. S-5.

(c) The weighted-average LTV at origination of the mortgage loans in Group III was 78.45%. BALTA 2005-3 Pros. Sup. S-6.

(d) The weighted-average LTV at origination of the mortgage loans in Group IV was 73.75%. BALTA 2005-3 Pros. Sup. S-7.

(e) The weighted-average LTV at origination of all of the mortgage loans in the collateral pool was 76.68%. BALTA 2005-3 Pros. Sup. S-7.

**Item 62. Details of the results of the AVM analysis:**

Number of loans	5,001
Number of properties on which there was enough information for the model to determine a true market value	2,934
Number of loans on which the stated value was 105% or more of the true market value as reported by the model	1,466
Aggregate amount by which the stated values of those properties exceeded their true market values as reported by the model	\$77,078,075
Number of loans on which the stated value was 95% or less of the true market value as reported by the model	481
Aggregate amount by which the true market values of those properties exceed their stated values	\$29,093,359
Number of loans with LTVs over 100%, as stated by Defendants	0
Number of loans with LTVs over 100%, as determined by the model	261
Weighted-average LTV, as stated by Defendants	76.7%
Weighted-average LTV, as determined by the model	85.3%

**Item 71. Undisclosed additional liens:**

- (a) Minimum number of properties with additional liens: 2,213
- (b) Total reduction in equity from additional liens: \$123,425,168
- (c) Weighted-average reduction in equity from additional liens: 85.1%

**Item 99. Untrue or misleading statements about the underwriting standards of the originators of the mortgage loans:**

On pages S-31 through S-33 of the prospectus supplement, Bear Stearns made statements about the underwriting guidelines of EMC Mortgage Corporation. All of those statements are incorporated here by reference. In particular, Bear Stearns stated that:

(a) "Exceptions to the underwriting standards are permitted where compensating factors are present." BALTA 2005-3 Pros. Sup. S-31.

(b) "Such underwriting standards are applied to evaluate the prospective borrower's credit standing and repayment ability and the value and adequacy of the mortgaged property as collateral." BALTA 2005-3 Pros. Sup. S-31.

On pages S-33 through S-35 of the prospectus supplement, Bear Stearns made statements about the underwriting guidelines of GMAC Mortgage Corporation. All of those statements are incorporated here by reference. In particular, Bear Stearns stated that:

(a) "[A] mortgage loan will be considered to be originated in accordance with a given set of underwriting standards if, based on an overall qualitative evaluation, the loan is in substantial compliance with those underwriting standards. For example, a mortgage loan may be considered to comply with a set of underwriting standards, even if one or more specific criteria included in those underwriting standards were not satisfied or if the mortgage loan is considered to be in substantial compliance with the underwriting standards." BALTA 2005-3 Pros. Sup. S-35.

(b) "In determining the adequacy of the mortgaged property as collateral under the GMACM Alt-A programs, an appraisal may be required of each property considered for financing. Such appraisals may be performed by an appraiser's independent from or affiliated with GMACM or its affiliates. Such appraisals, however, will not establish that the mortgaged properties provide assurance of repayment of the mortgage loans." BALTA 2005-3 Pros. Sup. S-33.

**Item 106. Early payment defaults:**

- (a) Number of the mortgage loans that suffered EPDs: 49
- (b) Percent of the mortgage loans that suffered EPDs: 1.0%
- (c) Percent of all securitized, non-agency prime (including Alt-A) mortgage loans made at the same time as the loans in the collateral pool that experienced EPDs: 0.18%

**Item 107. 90+ days delinquencies:**

- (a) Number of the mortgage loans that suffered 90+ days delinquencies: 901
- (b) Percent of the mortgage loans that suffered 90+ days delinquencies: 18.0%
- (c) Percent of all securitized, non-agency prime (including Alt-A) mortgage loans made at the same time as the loans in the collateral pool that suffered 90+ days delinquencies: 16.5%

**Item 108. 30+ days delinquencies in this securitization:**

- (a) Number of the mortgage loans that were 30+ days delinquent on March 31, 2010: 784
- (b) Percent of the mortgage loans that were 30+ days delinquent on March 31, 2010: 15.7%
- (c) Percent of all mortgage loans in the United States that were 30+ days delinquent on March 31, 2010: 14.7%

**Item 117. Statements about the ratings of the certificate(s) that the Bank purchased:**

On page S-2 of the prospectus supplement, Bear Stearns made statements about the ratings assigned to the certificates issued in this securitization. Bear Stearns stated that the Bank's

1 certificate was rated Aaa by Moody's Investors Service, Inc. and AAA by Standard & Poor's  
 2 Rating Services. These were the highest ratings available from these two rating agencies.

3 Bear Stearns also stated: "It is a condition to the issuance of the certificates that the  
 4 offered certificates receive the following ratings from Standard & Poors [sic] Rating Services . . .  
 5 which is referred to here as S&P, and Moody's Investors Service, Inc. . . ." The requirement for  
 6 classes III-A-1 and IV-A-1, from which these certificates were to be paid, was for AAA from  
 7 Standard & Poor's and Aaa from Moody's. BALTA 2005-3 Pros. Sup. S-11.

8 Bear Stearns also stated: "It is a condition to the issuance of each class of Offered  
 9 Certificates that it receives at least the ratings set forth below from S&P and Moody's." The  
 10 requirement for classes III-A-1 and IV-A-1, from which these certificates were to be paid, was for  
 11 AAA from Standard & Poor's and Aaa from Moody's. BALTA 2005-3 Pros. Sup. S-74.

12  
 13  
 14 **Item 120. Summary of loans about which the Defendants made untrue or misleading**  
 15 **statements:**

- 16 (a) Number of loans whose LTVs were materially understated: 1,466  
 17 (b) Number of loans in which the owner's equity was reduced by 5% or more by  
 18 undisclosed additional liens: 2,215  
 19 (c) Number of loans that suffered EPDs: 49  
 20 (d) Number of loans in which the properties were stated on the loan tape to be  
 21 owner-occupied but were not: 704  
 22 (e) Eliminating duplicates, number of loans about which the Defendants made  
 23 untrue or misleading statements: 3,096  
 24 (f) Eliminating duplicates, percent of loans about which the Defendants made  
 25 untrue or misleading statements: 61.9%  
 26  
 27  
 28



**SCHEDULE 36 TO THE AMENDED COMPLAINT**

To the extent that this Schedule is incorporated by reference into allegations in the complaint, those allegations are made against Defendant Bear Stearns.

**Item 44. Details of trust and certificate(s).**

**(a) Dealer that sold the certificate(s) to the Bank:** Bear Stearns.

**(b) Description of the trust:** First Horizon Alternative Mortgage Securities Trust, Mortgage Pass-Through Certificates, Series 2005-AA1 was a securitization in January 2005 of 1,336 mortgage loans, in two pools. The mortgage loans in the collateral pool of this securitization were originated or acquired by First Horizon Home Loan Corporation. FHAMS 2005-AA1 Pros. Sup. S-6.

**(c) Description of the certificate(s) that the Bank purchased:** Bear Stearns offered and sold to the Bank a senior certificate in this securitization, in tranche II-A-1, for which the Bank paid \$163,152,370 plus accrued interest on January 31, 2005.

**(d) Ratings of the certificate(s) when the Bank purchased them:** Standard & Poor's— AAA; Moody's— Aaa.

**(e) Current ratings of the certificate(s):** Standard & Poor's— BBB; Moody's— Aa3.

**(f) URL of prospectus supplement for this securitization:**  
<http://www.sec.gov/Archives/edgar/data/1081915/000095011705000339/a39114.txt>

**Item 52. Untrue or misleading statements about the LTVs of the mortgage loans:**

In the prospectus supplement, Bear Stearns made the following statements about the LTVs of the mortgage loans in the collateral pool of this securitization.

**(a)** "No mortgage loan in the collateral pool has a loan-to-value ratio at origination of more than 95%." FHAMS 2005-AA1 Pros. Sup. S-20.

1 (b) In Annex I of the prospectus supplement, Bear Stearns presented tables of statistics  
2 about the subset of mortgage loans in Pool I. FHAMS 2005-AA1 Pros. Sup. I-1 to I-3. Each table  
3 focused on a certain characteristic of the loans (for example, current principal balance) and  
4 divided the loans into categories based on that characteristic (for example, loans with current  
5 principal balances of less than \$250,001, \$250,001 to \$300,000, \$300,001 to \$350,000, etc.).  
6 Each table then presented various data about the loans in each category. One of the tables, entitled  
7 "Original Loan-to-Value Ratios for the Mortgage Loans in Pool I," divided the loans in Pool I  
8 into 10 categories of original LTV (for example, 50% and below, 50.01% to 55%, 55.01% to  
9 60%, etc.). The table made untrue and misleading statements about the number of mortgage  
10 loans, the aggregate principal balance outstanding, and the percent of aggregate principal balance  
11 outstanding in each of these categories. FHAMS 2005-AA1 Pros. Sup. I-1.  
12

13 (c) "The weighted average original loan-to-value ratio of the mortgage loans in Pool I  
14 is expected to be approximately 75.09%." FHAMS 2005-AA1 Pros. Sup. I-1.  
15

16 (d) In Annex II of the prospectus supplement, Bear Stearns presented tables of  
17 statistics about the subset of mortgage loans in Pool II. FHAMS 2005-AA1 Pros. Sup. II-1 to II-3.  
18 Each table focused on a certain characteristic of the loans (for example, current principal balance)  
19 and divided the loans into categories based on that characteristic (for example, loans with current  
20 principal balances of less than \$250,001, \$250,001 to \$300,000, \$300,001 to \$350,000, etc.).  
21 Each table then presented various data about the loans in each category. One of the tables, entitled  
22 "Original Loan-to-Value Ratios for the Mortgage Loans in Pool II," divided the loans in Pool II  
23 into 10 categories of original LTV (for example, 50% and below, 50.01% to 55%, 55.01% to  
24 60%, etc.). The table made untrue and misleading statements about the number of mortgage  
25 loans, the aggregate principal balance outstanding, and the percent of aggregate principal balance  
26 outstanding in each of these categories. FHAMS 2005-AA1 Pros. Sup. II-1.  
27  
28

(e) "The weighted average original loan-to-value ratio of the mortgage loans in Pool II is expected to be approximately 74.77%." FHAMS 2005-AA1 Pros. Sup. II-1.

**Item 62. Details of the results of the AVM analysis:**

Number of loans	1,336
Number of properties on which there was enough information for the model to determine a true market value	761
Number of loans on which the stated value was 105% or more of the true market value as reported by the model	343
Aggregate amount by which the stated values of those properties exceeded their true market values as reported by the model	\$20,309,183
Number of loans on which the stated value was 95% or less of the true market value as reported by the model	132
Aggregate amount by which the true market values of those properties exceed their stated values	\$7,631,942
Number of loans with LTVs over 100%, as stated by Defendants	0
Number of loans with LTVs over 100%, as determined by the model	44
Weighted-average LTV, as stated by Defendants (pool I)	75.1%
Weighted-average LTV, as determined by the model (pool I)	83.5%

**Item 71. Undisclosed additional liens:**

(a) Minimum number of properties with additional liens: 613

(b) Total reduction in equity from additional liens: \$32,600,572

(c) Weighted-average reduction in equity from additional liens: 80.4%

**Item 88. Untrue or misleading statements about owner-occupancy of the properties that secured the mortgage loans:**

In the prospectus supplement, Bear Stearns made the following statements about the occupancy status of the properties that secured the mortgage loans in the collateral pool of this securitization.

(a) In Annex I of the prospectus supplement, described in Item 52, Bear Stearns presented a table entitled "Occupancy Types for the Mortgage Loans in Pool I." This table divided the subset of mortgage loans in Pool I into the categories "Primary Residence," "Investor Property," and "Second Residence." The table made untrue and misleading statements about the number of mortgage loans, the aggregate principal balance outstanding, and the percent of

1 aggregate principal balance outstanding in each of these categories. FHAMS 2005-AA1 Pros.  
2 Sup. I-2.

3 (b) In the "Occupancy Types for the Mortgage Loans in Pool I" table, Bear Stearns  
4 stated that 75.61% of the subset of mortgage loans in Pool I were secured by a "Primary  
5 Residence," 21.29% by an "Investor Property," and 3.09% by a "Second Home." FHAMS 2005-  
6 AA1 Pros. Sup. I-2.

7 (c) In Annex II of the prospectus supplement, described in Item 52, Bear Stearns  
8 presented a table entitled "Occupancy Types for the Mortgage Loans in Pool II." This table  
9 divided the subset of mortgage loans in Pool II into the categories "Primary Residence," "Investor  
10 Property," and "Second Residence." The table made untrue and misleading statements about the  
11 number of mortgage loans, the aggregate principal balance outstanding, and the percent of  
12 aggregate principal balance outstanding in each of these categories. FHAMS 2005-AA1 Pros.  
13 Sup. II-2.

14 (d) In the "Occupancy Types for the Mortgage Loans in Pool II" table, Bear Stearns  
15 stated that 76.96% of the subset of mortgage loans in Pool II were secured by a "Primary  
16 Residence," 19.06% by an "Investor Property," and 3.98% by a "Second Home." FHAMS 2005-  
17 AA1 Pros. Sup. II-2.

18 **Item 96. Details of properties that were stated to be owner-occupied, but were not:**

- 19 (a) Number of loans on which the owner of the property instructed tax  
20 authorities to send property tax bills to him or her at a different address: 101  
21 (b) Number of loans on which the owner of the property could have, but did not,  
22 designate the property as his or her homestead: 133  
23 (c) Number of loans on which the owner of the property owned three or more  
24 properties: 8  
25 (d) Eliminating duplicates, number of loans about which one or more of  
26 statements (a) through (c) is true: 206  
27  
28



**Item 99. Untrue or misleading statements about the underwriting standards of the originators of the mortgage loans:**

On pages 26 through 28 of the prospectus supplement, Bear Stearns made statements about the underwriting guidelines of First Horizon Home Loan Corporation. All of those statements are incorporated here by reference. In particular, Bear Stearns stated that:

(a) “[A] mortgage loan will be considered to be originated in accordance with a given set of underwriting standards if, based on an overall qualitative evaluation, the loan substantially complies with the underwriting standards. For example, a mortgage loan may be considered to comply with a set of underwriting standards, even if one or more specific criteria included in the underwriting standards were not satisfied, if other factors compensated for the criteria that were not satisfied or if the mortgage loan is considered to be in substantial compliance with the underwriting standards.” FHAMS 2005-AA1 Pros. 26.

(b) “First Horizon’s Underwriting standards are intended to evaluate the prospective mortgagor’s credit standing and repayment ability, and the value and adequacy of the proposed property as collateral.” FHAMS 2005-AA1 Pros. 27.

(c) “Underwriting standards are applied by or on behalf of a lender to evaluate a borrower’s credit standing and repayment ability, and the value and adequacy of the related Property as collateral.” FHAMS 2005-AA1 Pros. 27.

**Item 117. Statements about the ratings of the certificate(s) that the Bank purchased:**

On page S-9 of the prospectus supplement, Bear Stearns made statements about the ratings assigned to the certificates issued in this securitization. Bear Stearns stated that the Bank’s certificate was to be rated Aaa by Moody’s Investors Service, Inc. and AAA by Standard & Poor’s Rating Services. These were the highest ratings available from these two rating agencies.

Bear Stearns also stated: “The classes of senior certificates (excluding the Class II-A-2 Certificates) will not be offered unless they are assigned ratings “AAA” and “Aaa” by S&P and

1 Moody's, respectively. The Class II-A-2 Certificates will not be offered unless they are assigned  
 2 ratings of "AAA" and "Aa1" by S&P and Moody's, respectively." FHAMS 2005-AA1 Pros. Sup.  
 3 S-9.

4 Bear Stearns also stated: "It is a condition to the issuance of the senior certificates that  
 5 they be rated "AAA" by S&P. It is a condition to the issuance of the senior certificates, excluding  
 6 the Class II-A-2 Certificates, that they be rated "Aaa" by Moody's. The Class II-A-2 Certificates  
 7 will not be offered unless they are assigned the rating of "Aa1" by Moody's." FHAMS 2005-AA1  
 8 Pros. Sup. S-51.

10 **Item 120. Summary of loans about which the Defendants made untrue or misleading**  
 11 **statements:**

- 12 (a) Number of loans whose LTVs were materially understated: 343  
 13 (b) Number of loans in which the owner's equity was reduced by 5% or more by  
 14 undisclosed additional liens: 613  
 15 (c) Number of loans in which the properties were stated to be owner-occupied  
 16 but were not: 206  
 17 (d) Eliminating duplicates, number of loans about which the Defendants made  
 18 untrue or misleading statements: 824  
 19 (e) Eliminating duplicates, percent of loans about which the Defendants made  
 20 untrue or misleading statements: 61.7%

1 **SCHEDULE 37 TO THE AMENDED COMPLAINT**

2 To the extent that this Schedule is incorporated by reference into allegations in the  
3 complaint, those allegations are made against Defendants Bear Stearns and SAMI II.

4 **Item 44. Details of trust and certificate(s).**

5 (a) **Dealer that sold the certificate(s) to the Bank:** Bear Stearns.

6 (b) **Description of the trust:** Bear Stearns Alt-A Trust, Mortgage Pass-Through  
7 Certificates, Series 2004-12 was a securitization in September 2005 of 6,391 mortgage loans, in  
8 two groups. The mortgage loans the collateral pool of this securitization were originated by EMC  
9 Mortgage Corporation, Countrywide Home Loans, Inc., and various undisclosed originators.  
10 EMC Mortgage Corporation originated 46.23% of the loans in the collateral pool and  
11 Countrywide Home Loans, Inc. originated 18.75%. EMC Mortgage Corporation originated  
12 21.54% of the subset of loans in group I-1 and Countrywide Home Loans, Inc. originated  
13 20.05%. EMC Mortgage Corporation originated all of the subset of loans in group I-2. EMC  
14 Mortgage Corporation originated 42.49% of the subset of loans in group II-1. Countrywide Home  
15 Loans, Inc. originated 59.34% of the subset of loans in group II-2. Countrywide Home Loans,  
16 Inc. originated 52.66% of the subset of loans in group II-3 and EMC Mortgage Corporation  
17 originated 24.34%. BALTA 2004-12 Pros. Sup. S-4, S-44 and S-49.

18 (c) **Description of the certificate(s) that the Bank purchased:** Bear Stearns offered  
19 and sold to the Bank two senior certificates in this securitization, in tranches II-A-3 and II-A-5,  
20 for which the Bank paid \$86,103,121 and \$47,648,672 plus accrued interest, respectively, on  
21 November 30, 2004.

22 (d) **Ratings of the certificate(s) when the Bank purchased them:**

23 Certificate: II-A-3; Standard & Poor's— AAA; Moody's— Aaa.

24 Certificate: II-A-5; Standard & Poor's— AAA; Moody's— Aaa.

1 (e) Current ratings of the certificate(s):

2 Certificate: II-A-3; Standard & Poor's— AAA; Moody's— Aa1.

3 Certificate: II-A-5; Standard & Poor's— AAA; Moody's— A1.

4 (f) URL of prospectus supplement for this securitization:

5 [http://www.sec.gov/Archives/edgar/data/1243106/000112528204005985/b402568\\_424b5.txt](http://www.sec.gov/Archives/edgar/data/1243106/000112528204005985/b402568_424b5.txt)

6  
7 **Item 52. Untrue or misleading statements about the LTVs of the mortgage loans:**

8 In the prospectus supplement, Bear Stearns and SAMI II made the following statements  
9 about the LTVs of the mortgage loans in the collateral pool of this securitization.

10 (a) The weighted-average original LTV of the subset of mortgage loans in group I-1  
11 was 77.01%. BALTA 2004-12 Pros. Sup. S-6 and A-3.

12 (b) The effective original LTV of the subset of mortgage loans in group I-1 was  
13 76.9%. BALTA 2004-12 Pros. Sup. S-6 and A-4.

14 (c) The weighted-average original LTV of the subset of mortgage loans in group I-2  
15 was 79.04%. BALTA 2004-12 Pros. Sup. S-6 and A-13.

16 (d) The effective original LTV of the subset of mortgage loans in group I-2 was  
17 79.04%. BALTA 2004-12 Pros. Sup. S-6 and A-13.

18 (e) The weighted-average original LTV of the subset of mortgage loans in group I was  
19 77.9%. BALTA 2004-12 Pros. Sup. S-7 and A-22.

20 (f) The effective original LTV of the subset of mortgage loans in group I was 77.9%.  
21 BALTA 2004-12 Pros. Sup. S-7 and A-22.

22 (g) The weighted-average original LTV of the subset of mortgage loans in group II-1  
23 was 76.91%. BALTA 2004-12 Pros. Sup. S-7 and A-32.

24 (h) The original LTV of the subset of mortgage loans in group II-1 was 76.91%.  
25 BALTA 2004-12 Pros. Sup. S-7 and A-32.



1 (i) The weighted-average original LTV of the subset of mortgage loans in group II-2  
2 was 73.15%. BALTA 2004-12 Pros. Sup. S-8 and A-41.

3 (j) The effective original LTV of the subset of mortgage loans in group II-2 was  
4 73.15% S-8 and A-42.

5 (k) The weighted-average original LTV of the subset of mortgage loans in group II-3  
6 was 75.77%. BALTA 2004-12 Pros. Sup. S-8 and A-49.

7 (l) The effective original LTV of the subset of mortgage loans in group II-3 was  
8 75.77%. BALTA 2004-12 Pros. Sup. S-8 and A-49.

9 (m) The weighted-average original LTV of the subset of mortgage loans in group II-4  
10 was 78.23%. BALTA 2004-12 Pros. Sup. S-8 and A-57.

11 (n) The effective original LTV of the subset of mortgage loans in group II-4 was  
12 78.23%. BALTA 2004-12 Pros. Sup. S-8 and A-58.

13 (o) The weighted-average original LTV of the subset of mortgage loans in group II  
14 was 75.07%. BALTA 2004-12 Pros. Sup. S-9 and A-67.

15 (p) The effective original LTV of the subset of mortgage loans in group II was  
16 75.07%. BALTA 2004-12 Pros. Sup. S-9 and A-68.

17 (q) In Schedule A of the prospectus supplement ("Certain Characteristics of the  
18 Mortgage Loans"), Bear Stearns and SAMI II presented tables of statistics about the mortgage  
19 loans in the collateral pool. BALTA 2004-12 Pros. Sup. A-1 to A-75. Each table focused on a  
20 certain characteristic of the loans (for example, scheduled principal balance as of the cut-off date)  
21 and divided the loans into categories based on that characteristic (for example, loans with  
22 scheduled principal balances as of the cut-off date of \$0 to \$100,000, \$100,001 to \$200,000,  
23 \$200,001 to \$300,000, etc.). Each table then presented various data about the loans in each  
24 category. One of the tables, entitled "Original Loan-to-Value Ratios in Loan Group 1-1," divided  
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26  
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1 the subset of loans in group I-1 into 13 categories of original LTV (for example, 0% to 30%,  
2 30.01% to 40%, 40.01% to 50%, etc.). The table made untrue and misleading statements about  
3 the number of mortgage loans, the aggregate principal balance outstanding, and the percent of  
4 aggregate principal balance outstanding in each of these categories. BALTA 2004-12 Pros. Sup.  
5 A-3.  
6

7 (r) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Effective  
8 Loan-to-Value Ratios in Loan Group I-2 [sic]." This table divided the subset of mortgage loans in  
9 group I-1 into 13 categories of effective LTV (for example, 0% to 30%, 30.01% to 40%, 40.01%  
10 to 50%, etc.). The table made untrue and misleading statements about the number of mortgage  
11 loans, the aggregate principal balance outstanding, and the percent of aggregate principal balance  
12 outstanding in each of these categories. BALTA 2004-12 Pros. Sup. A-4.  
13

14 (s) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Original  
15 Loan-to-Value Ratios in Loan Group I-2." This table divided the subset of mortgage loans in  
16 group I-2 into 13 categories of original LTV (for example, 0% to 30%, 30.01% to 40%, 40.01%  
17 to 50%, etc.). The table made untrue and misleading statements about the number of mortgage  
18 loans, the aggregate principal balance outstanding, and the percent of aggregate principal balance  
19 outstanding in each of these categories. BALTA 2004-12 Pros. Sup. A-13.  
20

21 (t) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Effective  
22 Loan-to-Value Ratios in Loan Group I-2." This table divided the subset of mortgage loans in  
23 group I-2 into 13 categories of effective LTV (for example, 0% to 30%, 30.01% to 40%, 40.01%  
24 to 50%, etc.). The table made untrue and misleading statements about the number of mortgage  
25 loans, the aggregate principal balance outstanding, and the percent of aggregate principal balance  
26 outstanding in each of these categories. BALTA 2004-12 Pros. Sup. A-13.  
27  
28

1 (u) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Original  
2 Loan-to-Value Ratios in Total Group I." This table divided the subset of mortgage loans in group  
3 I into 13 categories of original LTV (for example, 0% to 30%, 30.01% to 40%, 40.01% to 50%,  
4 etc.). The table made untrue and misleading statements about the number of mortgage loans, the  
5 aggregate principal balance outstanding, and the percent of aggregate principal balance  
6 outstanding in each of these categories. BALTA 2004-12 Pros. Sup. A-22.

8 (v) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Effective  
9 Loan-to-Value Ratios in Total Group I." This table divided the subset of mortgage loans in group  
10 I into 13 categories of effective LTV (for example, 0% to 30%, 30.01% to 40%, 40.01% to 50%,  
11 etc.). The table made untrue and misleading statements about the number of mortgage loans, the  
12 aggregate principal balance outstanding, and the percent of aggregate principal balance  
13 outstanding in each of these categories. BALTA 2004-12 Pros. Sup. A-23.

15 (w) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Original  
16 Loan-to-Value Ratios in Loan Group II-1." This table divided the subset of mortgage loans in  
17 group II-1 into 11 categories of original LTV (for example, 0% to 30%, 30.01% to 40%, 40.01%  
18 to 50%, etc.). The table made untrue and misleading statements about the number of mortgage  
19 loans, the aggregate principal balance outstanding, and the percent of aggregate principal balance  
20 outstanding in each of these categories. BALTA 2004-12 Pros. Sup. A-32.

22 (x) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Effective  
23 Loan-to-Value Ratios in Loan Group II-1." This table divided the subset of mortgage loans in  
24 group II-1 into 11 categories of effective LTV (for example, 0% to 30%, 30.01% to 40%, 40.01%  
25 to 50%, etc.). The table made untrue and misleading statements about the number of mortgage  
26 loans, the aggregate principal balance outstanding, and the percent of aggregate principal balance  
27 outstanding in each of these categories. BALTA 2004-12 Pros. Sup. A-32.

1 (y) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Original  
2 Loan-to-Value Ratios in Loan Group II-2." This table divided the subset of mortgage loans in  
3 group II-2 into 10 categories of original LTV (for example, 30.01% to 40%, 40.01% to 50%,  
4 50.01% to 55%, etc.). The table made untrue and misleading statements about the number of  
5 mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate  
6 principal balance outstanding in each of these categories. BALTA 2004-12 Pros. Sup. A-41.  
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8 (z) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Effective  
9 Loan-to-Value Ratios in Loan Group II-2." This table divided the subset of mortgage loans in  
10 group II-2 into 10 categories of effective LTV (for example, 30.01% to 40%, 40.01% to 50%,  
11 50.01% to 55%, etc.). The table made untrue and misleading statements about the number of  
12 mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate  
13 principal balance outstanding in each of these categories. BALTA 2004-12 Pros. Sup. A-41.  
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15 (aa) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Original  
16 Loan-to-Value Ratios in Loan Group II-3." This table divided the subset of mortgage loans in  
17 group II-3 into 13 categories of original LTV (for example, 0% to 30%, 30.01% to 40%, 40.01%  
18 to 50%, etc.). The table made untrue and misleading statements about the number of mortgage  
19 loans, the aggregate principal balance outstanding, and the percent of aggregate principal balance  
20 outstanding in each of these categories. BALTA 2004-12 Pros. Sup. A-49.  
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22 (bb) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Effective  
23 Loan-to-Value Ratios in Loan Group II-3." This table divided the subset of mortgage loans in  
24 group II-3 into 13 categories of effective LTV (for example, 0% to 30%, 30.01% to 40%, 40.01%  
25 to 50%, etc.). The table made untrue and misleading statements about the number of mortgage  
26 loans, the aggregate principal balance outstanding, and the percent of aggregate principal balance  
27 outstanding in each of these categories. BALTA 2004-12 Pros. Sup. A-50.  
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1 (cc) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Original  
2 Loan-to-Value Ratios in Loan Group II-4." This table divided the subset of mortgage loans in  
3 group II-4 into 12 categories of original LTV (for example, 30.01% to 40%, 40.01% to 50%,  
4 50.01% to 55%, etc.). The table made untrue and misleading statements about the number of  
5 mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate  
6 principal balance outstanding in each of these categories. BALTA 2004-12 Pros. Sup. A-57.

8 (dd) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Effective  
9 Loan-to-Value Ratios in Loan Group II-4." This table divided the subset of mortgage loans in  
10 group II-4 into 12 categories of effective LTV (for example, 30.01% to 40%, 40.01% to 50%,  
11 50.01% to 55%, etc.). The table made untrue and misleading statements about the number of  
12 mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate  
13 principal balance outstanding in each of these categories. BALTA 2004-12 Pros. Sup. A-58.

15 (ee) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Original  
16 Loan-to-Value Ratios in Total Group II." This table divided the subset of mortgage loans in group  
17 II into 13 categories of original LTV (for example, 0% to 30%, 30.01% to 40%, 40.01% to 50%,  
18 etc.). The table made untrue and misleading statements about the number of mortgage loans, the  
19 aggregate principal balance outstanding, and the percent of aggregate principal balance  
20 outstanding in each of these categories. BALTA 2004-12 Pros. Sup. A-67.

22 (ff) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Effective  
23 Loan-to-Value Ratios in Total Group II." This table divided the subset of mortgage loans in group  
24 II into 13 categories of effective LTV (for example, 0% to 30%, 30.01% to 40%, 40.01% to 50%,  
25 etc.). The table made untrue and misleading statements about the number of mortgage loans, the  
26 aggregate principal balance outstanding, and the percent of aggregate principal balance  
27 outstanding in each of these categories. BALTA 2004-12 Pros. Sup. A-68.

**Item 62. Details of the results of the AVM analysis:**

Number of loans	6,391
Number of properties on which there was enough information for the model to determine a true market value	2,447
Number of loans on which the stated value was 105% or more of the true market value as reported by the model	1,173
Aggregate amount by which the stated values of those properties exceeded their true market values as reported by the model	\$64,030,632
Number of loans on which the stated value was 95% or less of the true market value as reported by the model	525
Aggregate amount by which the true market values of those properties exceed their stated values	\$30,964,987
Number of loans with LTVs over 100%, as stated by Defendants	0
Number of loans with LTVs over 100%, as determined by the model	241
Weighted-average LTV, as stated by Defendants	75.77%
Weighted-average LTV, as determined by the model	84.5%
Weighted-average LTV, as stated by Defendants	78.23%
Weighted-average LTV, as determined by the model	87.7%

**Item 71. Undisclosed additional liens:**

- (a) Minimum number of properties with additional liens: 332
- (b) Total reduction in equity from additional liens: \$23,290,380
- (c) Weighted-average reduction in equity from additional liens: 84.3%

**Item 82. Untrue or misleading statements about compliance with USPAP:**

In the prospectus supplement, Bear Stearns and SAMI II made the following statement about the appraisals of the properties that secured the mortgage loans originated by Countrywide:

"All appraisals are required to conform to Fannie Mae or Freddie Mac appraisal standards then in effect." BALTA 2004-12 Pros. Sup. S-46.

In the prospectus supplement, Bear Stearns and SAMI II made the following statement about the appraisals of the properties that secured the mortgage loans in this securitization: "All appraisals by licensed appraisers are required to be on forms acceptable to Fannie Mae or Freddie Mac." BALTA 2004-12 Pros. 15.

**Item 88. Untrue or misleading statements about owner-occupancy of the properties that secured the mortgage loans:**

In the prospectus supplement, Bear Stearns and SAMI II made the following statements about the occupancy status of the properties that secured the mortgage loans in the collateral pool of this securitization.

(a) In Schedule A of the prospectus supplement, described in Item 52, Bear Stearns and SAMI II presented a table entitled "Occupancy Status of Mortgage Properties in Loan Group I-1." This table divided the subset of mortgage loans in group I-1 into the categories "Owner Occupied," "Investor," and "Second Home." The table made untrue and misleading statements about the number of mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate principal balance outstanding in each of these categories. BALTA 2004-12 Pros. Sup. A-6.

(b) In the "Occupancy Status of Mortgage Properties in Loan Group I-1" table, Bear Stearns and SAMI II stated that 82.29% of the subset of mortgage loans in group I-1 were secured by an "Owner Occupied" property, 12.81% by an "Investor" property, and 4.91% by a "Second Home." BALTA 2004-12 Pros. Sup. A-6.

(c) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Occupancy Status of Mortgage Properties in Loan Group I-2." This table divided the subset of mortgage loans in group I-2 into the categories "Owner Occupied," "Investor," and "Second Home." The table made untrue and misleading statements about the number of mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate principal balance outstanding in each of these categories. BALTA 2004-12 Pros. Sup. A-15.

(d) In the "Occupancy Status of Mortgage Properties in Loan Group I-2" table, Bear Stearns and SAMI II stated that 67.63% of the subset of mortgage loans in group I-2 were secured

1 by an "Owner Occupied" property, 26.77% by an "Investor" property, and 5.6% by a "Second  
2 Home." BALTA 2004-12 Pros. Sup. A-15.

3 (e) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Occupancy  
4 Status of Mortgage Properties in Total Group I." This table divided the subset of mortgage loans  
5 in group I into the categories "Owner Occupied," "Investor," and "Second Home." The table  
6 made untrue and misleading statements about the number of mortgage loans, the aggregate  
7 principal balance outstanding, and the percent of aggregate principal balance outstanding in each  
8 of these categories. BALTA 2004-12 Pros. Sup. A-25.

10 (f) In the "Occupancy Status of Mortgage Properties in Total Group I" table, Bear  
11 Stearns and SAMI II stated that 75.85% of the subset of mortgage loans in group I were secured  
12 by an "Owner Occupied" property, 18.93% by an "Investor" property, and 5.21% by a "Second  
13 Home." BALTA 2004-12 Pros. Sup. A-25.

15 (g) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Occupancy  
16 Status of Mortgage Properties in Loan Group II-1." This table divided the subset of mortgage  
17 loans in group II-1 into the categories "Owner Occupied," "Investor," and "Second Home." The  
18 table made untrue and misleading statements about the number of mortgage loans, the aggregate  
19 principal balance outstanding, and the percent of aggregate principal balance outstanding in each  
20 of these categories. BALTA 2004-12 Pros. Sup. A-34.

22 (h) In the "Occupancy Status of Mortgage Properties in Loan Group II-1" table, Bear  
23 Stearns and SAMI II stated that 88.91% of the subset of mortgage loans in group II-1 were  
24 secured by an "Owner Occupied" property, 6.7% by an "Investor" property, and 4.39% by a  
25 "Second Home." BALTA 2004-12 Pros. Sup. A-34.

26 (i) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Occupancy  
27 Status of Mortgage Properties in Loan Group II-2." This table divided the subset of mortgage  
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1 loans in group II-2 into the categories "Owner Occupied," "Investor," and "Second Home." The  
2 table made untrue and misleading statements about the number of mortgage loans, the aggregate  
3 principal balance outstanding, and the percent of aggregate principal balance outstanding in each  
4 of these categories. BALTA 2004-12 Pros. Sup. A-43.

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6 (j) In the "Occupancy Status of Mortgage Properties in Loan Group II-2" table, Bear  
7 Stearns and SAMI II stated that 86.21% of the subset of mortgage loans in group II-2 were  
8 secured by an "Owner Occupied" property, 5.44% by an "Investor" property, and 8.36% by a  
9 "Second Home." BALTA 2004-12 Pros. Sup. A-43.

10 (k) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Occupancy  
11 Status of Mortgage Properties in Loan Group II-3." This table divided the subset of mortgage  
12 loans in group II-3 into the categories "Owner Occupied," "Investor," and "Second Home." The  
13 table made untrue and misleading statements about the number of mortgage loans, the aggregate  
14 principal balance outstanding, and the percent of aggregate principal balance outstanding in each  
15 of these categories. BALTA 2004-12 Pros. Sup. A-51.

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17 (l) In the "Occupancy Status of Mortgage Properties in Loan Group II-3" table, Bear  
18 Stearns and SAMI II stated that 91.62% of the subset of mortgage loans in group II-3 were  
19 secured by an "Owner Occupied" property, 4.86% by an "Investor" property, and 3.52% by a  
20 "Second Home." BALTA 2004-12 Pros. Sup. A-51.

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22 (m) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Occupancy  
23 Status of Mortgage Properties in Loan Group II-4." This table divided the subset of mortgage  
24 loans in group II-4 into the categories "Owner Occupied," "Investor," and "Second Home." The  
25 table made untrue and misleading statements about the number of mortgage loans, the aggregate  
26 principal balance outstanding, and the percent of aggregate principal balance outstanding in each  
27 of these categories. BALTA 2004-12 Pros. Sup. A-60.

(n) In the "Occupancy Status of Mortgage Properties in Loan Group II-4" table, Bear Stearns and SAMI II stated that 87.61% of the subset of the mortgage loans in group II-4 were secured by an "Owner Occupied" property, 4.09% by an "Investor" property, and 8.31% by a "Second Home." BALTA 2004-12 Pros. Sup. A-60.

(o) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Occupancy Status of Mortgage Properties in Total Group II." This table divided the subset of mortgage loans in group II into the categories "Owner Occupied," "Investor," and "Second Home." The table made untrue and misleading statements about the number of mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate principal balance outstanding in each of these categories. BALTA 2004-12 Pros. Sup. A-70.

(p) In the "Occupancy Status of Mortgage Properties in Total Group II" table, Bear Stearns and SAMI II stated that 88.19% of the subset of mortgage loans in group II were secured by an "Owner Occupied" property, 5.26% by an "Investor" property, and 6.55% by a "Second Home." BALTA 2004-12 Pros. Sup. A-70.

**Item 96. Details of properties that were stated to be owner-occupied, but were not:**

- (a) Number of loans on which the owner of the property instructed tax authorities to send property tax bills to him or her at a different address: 239
- (b) Number of loans on which the owner of the property could have, but did not, designate the property as his or her homestead: 387
- (c) Number of loans on which the owner of the property owned three or more properties: 24
- (d) Number of loans that went straight from current to foreclosure or ownership by lender: 10
- (e) Eliminating duplicates, number of loans about which one or more of statements (a) through (d) is true: 546

**Item 99. Untrue or misleading statements about the underwriting standards of the originators of the mortgage loans:**

On pages S-44 through S-49 of the prospectus supplement, Bear Stearns and SAMI II made statements about the underwriting guidelines of Countrywide Home Loans, Inc. All of those statements are incorporated here by reference. In particular, Bear Stearns and SAMI II stated that:

(a) "Exceptions to Countrywide's underwriting guidelines may be made if compensating factors are demonstrated by a prospective borrower." BALTA 2004-12 Pros. Sup. S-45.

(b) "Countrywide's underwriting standards are applied by or on behalf of Countrywide to evaluate the prospective borrower's credit standing and repayment ability and the value and adequacy of the mortgaged property as collateral." BALTA 2004-12 Pros. Sup. S-45.

On pages S-49 through S-51 of the prospectus supplement, Bear Stearns made statements about the underwriting guidelines of EMC Mortgage Corporation. All of those statements are incorporated here by reference. In particular, Bear Stearns and SAMI II stated that:

(a) "Exceptions to the underwriting standards are permitted where compensating factors are present." BALTA 2004-12 Pros. Sup. S-50.

(b) "Such underwriting standards are applied to evaluate the prospective borrower's credit standing and repayment ability and the value and adequacy of the mortgaged property as collateral." BALTA 2004-12 Pros. Sup. S-50.

**Item 106. Early payment defaults:**

(a) Number of the mortgage loans that suffered EPDs: 33

(b) Percent of the mortgage loans that suffered EPDs: 0.5%

(c) Percent of all securitized, non-agency prime (including Alt-A) mortgage loans made at the same time as the loans in the collateral pool that experienced EPDs: 0.14%

**Item 107. 90+ days delinquencies:**

- (a) Number of the mortgage loans that suffered 90+ days delinquencies: 833
- (b) Percent of the mortgage loans that suffered 90+ days delinquencies: 13.0%
- (c) Percent of all securitized, non-agency prime (including Alt-A) mortgage loans made at the same time as the loans in the collateral pool that suffered 90+ days delinquencies: 7.2%

**Item 117. Statements about the ratings of the certificate(s) that the Bank purchased:**

On pages S-2 and S-3 of the prospectus supplement, Bear Stearns made statements about the ratings assigned to the certificates issued in this securitization. Bear Stearns stated that the Bank's certificate was rated Aaa by Moody's Investors Service, Inc. and AAA by Standard & Poor's Rating Services. These were the highest ratings available from these two rating agencies.

Bear Stearns also stated: "It is a condition to the issuance of the certificates that the offered certificates receive the following ratings from Standard & Poors [sic] Rating Services, a division of The McGraw-Hill Companies, Inc., which is referred to here as S&P, and Moody's Investors Service, Inc., which is referred to here as Moody's." The requirement for classes II-A-3 and II-A-5, from which these certificates were to be paid, was for AAA from Standard & Poor's and Aaa from Moody's. BALTA 2004-12 Pros. Sup. S-18.

Bear Stearns also stated: "It is a condition to the issuance of each class of Offered Certificates that it receives at least the ratings set forth below from S&P and Moody's." The requirement for classes II-A-3 and II-A-5, from which these certificates were to be paid, was for AAA from Standard & Poor's and Aaa from Moody's. BALTA 2004-12 Pros. Sup. S-103

**Item 120. Summary of loans about which the Defendants made untrue or misleading statements:**

- (a) Number of loans whose LTVs were materially understated: 1,173
- (b) Number of loans in which the owner's equity was reduced by 5% or more by undisclosed additional liens: 332



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- (c) **Number of loans that suffered EPDs: 33**
- (d) **Number of loans in which the properties were stated to be owner-occupied but were not: 546**
- (e) **Eliminating duplicates, number of loans about which the Defendants made untrue or misleading statements: 1,737**
- (f) **Eliminating duplicates, percent of loans about which the Defendants made untrue or misleading statements: 27.2%**

**SCHEDULE 38 TO THE AMENDED COMPLAINT**

To the extent that this Schedule is incorporated by reference into allegations in the complaint, those allegations are made against Defendant Bear Stearns.

**Item 44. Details of trust and certificate(s).**

(a) **Dealer that sold the certificate(s) to the Bank:** Bear Stearns.

(b) **Description of the trust:** RALI Mortgage Asset-Backed Pass-Through

Certificates, Series 2004-QA5 was a securitization in November 2004 of 1,323 mortgage loans, in three groups. The mortgage loans in the collateral pool of this securitization were acquired by Residential Funding Corporation from Homecomings Financial, LLC, National City Mortgage Company, First National Bank of Nevada, First Savings Mortgage Corporation, and various other undisclosed originators. Homecomings Financial, LLC originated 27.4% of the loans in the collateral pool, National City Mortgage Company originated 13.6%, and First National Bank of Nevada originated 10.4%. Homecomings Financial, LLC originated 42.9% of the subset of loans in Group I. Homecomings Financial, LLC originated 33.9 % of the subset of loans in Group II and First Savings Mortgage Corporation originated 15.8%. Homecomings Financial, LLC originated 22.2% of the subset of loans in Group III, National City Mortgage Company originated 17.8%, and First National Bank originated 11.4%. RALI 2004-QA5 Pros. Sup. S-29, S-37, and S-46.

(c) **Description of the certificate(s) that the Bank purchased:** Bear Stearns offered and sold to the Bank a senior certificate in this securitization, in tranche A-III-2, for which the Bank paid \$75,024,758 plus accrued interest on November 30, 2004.

(d) **Ratings of the certificate(s) when the Bank purchased them:** Standard & Poor's— AAA; Moody's— Aaa.

(e) **Current ratings of the certificate(s):** Standard & Poor's— BBB; Moody's— A3.

**Item 52. Untrue or misleading statements about the LTVs of the mortgage loans:**

(a) In the section of the prospectus supplement entitled “Description of the Mortgage Pool,” Bear Stearns presented tables of statistics about the mortgage loans in the collateral pool. RALI 2004-QA5 Pros. Sup. S-28 to S-65. Each table focused on a certain characteristic of the loans (for example, original principal balance) and divided the loans into categories based on that characteristic (for example, loans with original principal balances of \$100,000 or less, \$100,001 to \$200,000, \$200,001 to \$300,000, etc.). Each table then presented various data about the loans in each category. Among these data was the “Weighted-Average Loan-to-Value Ratio.” There were 18 such tables in the “Description of Mortgage Pool” section for the subset of loans in Group 1. In each table, the number of categories into which the loans were divided ranged from two to 35. Thus, in the “Description of Mortgage Pool” section, Bear Stearns made hundreds of statements about the LTVs of the loans in Group I. RALI 2004-QA5 Pros. Sup. S-28 to S-36.

(c) In the "Description of Mortgage Pool" section, Bear Stearns presented similar tables of statistics about the subset of mortgage loans in Group II. In these tables, Bear Stearns similarly made hundreds of statements about the LTVs of the loans in Group II. RALI 2004-QA5 Pros. Sup. S-36 to S-45.

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(e) In the "Description of Mortgage Pool" section, Bear Stearns presented similar tables of statistics about the subset of mortgage loans in Group III. In these tables, Bear Stearns similarly made hundreds of statements about the LTVs of the loans in Group III. RALI 2004-QA5 Pros. Sup. S-45 to S-55.

(f) "The weighted average loan-to-value ratio at origination of the Group III Loans will be approximately 77.29%." RALI 2004-QA5 Pros. Sup. S-49.

(g) In the "Description of Mortgage Pool" section, Bear Stearns presented tables of statistics about all of the mortgage loans in the collateral pool. RALI 2004-QA5 Pros. Sup. S-55 to S-65. In these tables, Bear Stearns similarly made hundreds of statements about the LTVs of all of the loans in the collateral pool. RALI 2004-QA5 Pros. Sup. S-55 to S-65.

(h) "The weighted average loan-to-value ratio at origination of all mortgage loans will be approximately 77.41%." RALI 2004-QA5 Pros. Sup. S-59.

**Item 62. Details of the results of the AVM analysis:**

Number of loans	1,323
Number of properties on which there was enough information for the model to determine a true market value	737
Number of loans on which the stated value was 105% or more of the true market value as reported by the model	326
Aggregate amount by which the stated values of those properties exceeded their true market values as reported by the model	\$15,290,153
Number of loans on which the stated value was 95% or less of the true market value as reported by the model	137
Aggregate amount by which the true market values of those properties exceed their stated values	\$8,738,168
Number of loans with LTVs over 100%, as stated by Defendants	0
Number of loans with LTVs over 100%, as determined by the model	60
Weighted-average LTV, as stated by Defendants	77.4%
Weighted-average LTV, as determined by the model	83.5%

**Item 71. Undisclosed additional liens:**

(a) Minimum number of properties with additional liens: 138

(b) Total reduction in equity from additional liens: \$8,313,515



1 (c) Weighted-average reduction in equity from additional liens: 68.2%

2 **Item 88. Untrue or misleading statements about owner-occupancy of the properties**  
3 **that secured the mortgage loans:**

4 In the prospectus supplement, Bear Stearns made the following statements about the  
5 occupancy status of the properties that secured the mortgage loans in the collateral pool of this  
6 securitization.

7 (a) In the "Description of Mortgage Pool" section, described in Item 52, Bear Stearns  
8 presented a table entitled "Occupancy Types of the Group I Loans." This table divided the subset  
9 of mortgage loans in Group I into the categories "Primary Residence," "Non-Owner Occupied,"  
10 and "Second/Vacation." The table made untrue and misleading statements about the number of  
11 mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate  
12 principal balance outstanding in each of these categories. RALI 2004-QA5 Pros. Sup. S-33.

13 (b) In the "Occupancy Types of the Group I Loans" table, Bear Stearns stated that  
14 77.09% of the subset of mortgage loans in Group I were secured by a "Primary Residence,"  
15 18.45% by a "Non-Owner Occupied" residence, and 4.46% by a "Second/Vacation" residence.  
16 RALI 2004-QA5 Pros. Sup. S-33.

17 (c) In the "Description of Mortgage Pool" section, Bear Stearns presented a table  
18 entitled "Occupancy Types of the Group II Loans." This table divided the subset of mortgage  
19 loans in Group II into the categories "Primary Residence," "Non-Owner Occupied," and  
20 "Second/Vacation." The table made untrue and misleading statements about the number of  
21 mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate  
22 principal balance outstanding in each of these categories. RALI 2004-QA5 Pros. Sup. S-41.

23 (d) In the "Occupancy Types of the Group II Loans" table, Bear Stearns stated that  
24 88.76% of the subset of mortgage loans in Group II were secured by a "Primary Residence,"  
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1 7.62% by a "Non-Owner Occupied" residence, and 3.62% by a "Second/Vacation" residence.  
 2 RALI 2004-QA5 Pros. Sup. S-41.

3 (e) In the "Description of Mortgage Pool" section, Bear Stearns presented a table  
 4 entitled "Occupancy Types of the Group III Loans." This table divided the subset of mortgage  
 5 loans in Group III into the categories "Primary Residence," "Non-Owner Occupied," and  
 6 "Second/Vacation." The table made untrue and misleading statements about the number of  
 7 mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate  
 8 principal balance outstanding in each of these categories. RALI 2004-QA5 Pros. Sup. S-51.

10 (f) In the "Occupancy Types of the Group III Loans" table, Bear Stearns stated that  
 11 83.78% of the subset of loans in Group III were secured by a "Primary Residence," 12.21% by a  
 12 "Non-Owner Occupied" residence, and 4.01% by a "Second/Vacation" residence. RALI 2004-  
 13 QA5 Pros. Sup. S-51.

15 (g) In the "Description of the Mortgage Pool" section, Bear Stearns presented a table  
 16 entitled "Occupancy Types of All Mortgage Loans." This table divided all of the mortgage loans  
 17 in the collateral pool into the categories "Primary Residence," "Non-Owner Occupied," and  
 18 "Second/Vacation." The table made untrue and misleading statements about the number of  
 19 mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate  
 20 principal balance outstanding in each of these categories. RALI 2004-QA5 Pros. Sup. S-61.

22 (h) In the "Occupancy Types of All Mortgage Loans" table, Bear Stearns stated that  
 23 83.3% of the mortgage loans in the collateral pool, by principal balance, were secured by a  
 24 "Primary Residence," 12.66% by a "Non-Owner Occupied" residence, and 4.04% by a  
 25 "Second/Vacation" residence. RALI 2004-QA5 Pros. Sup. S-61.

26 **Item 96. Details of properties that were stated to be owner-occupied, but were not:**

27 (a) **Number of loans on which the owner of the property instructed tax**  
 28 **authorities to send property tax bills to him or her at a different address: 82**

(b) Number of loans on which the owner of the property could have, but did not, designate the property as his or her homestead: 120

(c) Number of loans on which the owner of the property owned three or more properties: 8

(d) Eliminating duplicates, number of loans about which one or more of statements (a) through (c) is true: 183

**Item 99. Untrue or misleading statements about the underwriting standards of the originators of the mortgage loans:**

On pages S-66 through S-67 of the prospectus supplement, Bear Stearns made statements about the underwriting guidelines of Residential Funding Corporation. All of those statements are incorporated here by reference.

On pages 12 through 16 of the prospectus, Bear Stearns made statements about the underwriting guidelines of the originators of the mortgage loans in the collateral pool. All of those statements are incorporated here by reference. In particular, Bear Stearns stated that:

(a) "[A] mortgage loan may be considered to comply with a set of underwriting standards, even if one or more specific criteria included in the underwriting standards were not satisfied, if other factors compensated for the criteria that were not satisfied . . . ." RALI 2004-QA5 Pros. 14.

(b) "The depositor expects that the originator of each of the mortgage loans will have applied, consistent with applicable federal and state laws and regulations, underwriting procedures intended to evaluate the borrower's credit standing and repayment ability and/or the value and adequacy of the related property as collateral." RALI 2004-QA5 Pros. 12.

(c) "The adequacy of the mortgaged property as security for repayment of the related mortgage loan will typically have been determined by an appraisal or an automated valuation, as described above under ' -- Loan-to-Value Ratio.'" RALI 2004-QA5 Pros. 13.

(d) "The level of review by Residential Funding Corporation, if any, will vary depending on several factors. Residential Funding Corporation on behalf of the depositor, typically will review a sample of the mortgage loans purchased by Residential Funding Corporation for conformity with the applicable underwriting standards and to assess the likelihood of repayment of the mortgage loan from the various sources for such repayment, including the mortgagor, the mortgaged property, and primary mortgage insurance, if any. Such underwriting reviews will generally not be conducted with respect to any individual mortgage pool related to a series of certificates." RALI 2004-QA5 Pros. 14.

**Item 106. Early payment defaults:**

- (a) Number of the mortgage loans that suffered EPDs: 2
- (b) Percent of the mortgage loans that suffered EPDs: 0.2%
- (c) Percent of all securitized, non-agency prime (including Alt-A) mortgage loans made at the same time as the loans in the collateral pool that experienced EPDs: 0.14%

**Item 107. 90+ days delinquencies:**

- (a) Number of the mortgage loans that suffered 90+ days delinquencies: 124
- (b) Percent of the mortgage loans that suffered 90+ days delinquencies: 9.4%
- (c) Percent of all securitized, non-agency prime (including Alt-A) mortgage loans made at the same time as the loans in the collateral pool that suffered 90+ days delinquencies: 7.2%

**Item 117. Statements about the ratings of the certificate(s) that the Bank purchased:**

On page S-6 of the prospectus supplement, Bear Stearns made statements about the ratings assigned to the certificates issued in this securitization. Bear Stearns stated that the Bank's certificate was rated Aaa by Moody's Investors Service, Inc. and AAA by Standard & Poor's Rating Services. These were the highest ratings available from these two rating agencies.



1 Bear Stearns also stated: "When issued, the offered certificates will receive ratings which  
2 are not lower than those listed in the table on page S-6 of this prospectus supplement." RALI  
3 2004-QA5 Pros. Sup. S-12.

4 Bear Stearns also stated: "It is a condition of the issuance of the Senior Certificates . . .  
5 that they be rated "AAA" by Standard & Poor's . . . and "Aaa" by Moody's Investors Service,  
6 Inc. . . ." RALI 2004-QA5 Pros. Sup. S-113.

7  
8 **Item 120. Summary of loans about which the Defendants made untrue or misleading**  
9 **statements:**

- 10 (a) Number of loans whose LTVs were materially understated: 326  
11 (b) Number of loans in which the owner's equity was reduced by 5% or more by  
12 undisclosed additional liens: 138  
13 (c) Number of loans that suffered EPDs: 2  
14 (d) Number of loans in which the properties were stated to be owner-occupied  
15 but were not: 183  
16 (e) Eliminating duplicates, number of loans about which the Defendants made  
17 untrue or misleading statements: 541  
18 (f) Eliminating duplicates, percent of loans about which the Defendants made  
19 untrue or misleading statements: 40.9%  
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**SCHEDULE 39 TO THE AMENDED COMPLAINT**

To the extent that this Schedule is incorporated by reference into allegations in the complaint, those allegations are made against Defendants Bear Stearns and SAMI II.

**Item 44. Details of trust and certificate(s).**

(a) **Dealer that sold the certificate(s) to the Bank:** Bear Stearns.

(b) **Description of the trust:** Bear Stearns Alt-A Trust, Mortgage Pass-Through Certificates, Series 2004-11 was a securitization in September 2004 of 4,779 mortgage loans, in two groups. The mortgage loans in the collateral pool of this securitization were originated by EMC Mortgage Corporation, Countrywide Home Loans, Inc., GreenPoint Mortgage Funding, Inc. and various undisclosed originators. EMC Mortgage Corporation originated 25.26% of the loans in the collateral pool, Countrywide Home Loans, Inc. originated 35.03%, and GreenPoint Mortgage Funding, Inc. originated 17.17%. EMC Mortgage Corporation originated 35.03% of the subset of loans in group I, Countrywide Home Loans, Inc. originated 21.93%, and GreenPoint Mortgage Funding, Inc. originated 20.03%. EMC Mortgage Corporation originated 23.09% of the subset of loans in group II-1 and GreenPoint Mortgage Funding, Inc. originated 43.87%. Countrywide Home Loans, Inc. originated 73.61% of the subset of loans in group II-2. EMC Mortgage Corporation originated 32.51% of the subset of loans in group II-3. Countrywide Home Loans, Inc. originated 46.76% of the subset of loans in group II-4 and EMC Mortgage Corporation originated 15.26%. Countrywide Home Loans, Inc. originated 90.365% of the subset of loans in group II-5. Countrywide Home Loans, Inc. originated 80.62% of the loans in group II-6. BALTA 2004-11 Pros. Sup. S-4, S-36, S-38, and S-44.

(c) **Description of the certificate(s) that the Bank purchased:** Bear Stearns offered and sold to the Bank a senior certificate in this securitization, in tranche I-A-1, for which the Bank paid \$170,650,000 plus accrued interest on October 14, 2004.

1 (d) Ratings of the certificate(s) when the Bank purchased them: Standard &  
2 Poor's— AAA; Moody's— Aaa.

3 (e) Current ratings of the certificate(s): Standard & Poor's— AAA; Moody's—  
4 Aa2.

5 (f) URL of prospectus supplement for this securitization:  
6 [http://www.sec.gov/Archives/edgar/data/1243106/000112528204004778/b401259\\_424b5.txt](http://www.sec.gov/Archives/edgar/data/1243106/000112528204004778/b401259_424b5.txt)

7  
8 **Item 52. Untrue or misleading statements about the LTVs of the mortgage loans:**

9 In the prospectus supplement, Bear Stearns and SAMI II made the following statements  
10 about the LTVs of the mortgage loans in the collateral pool of this securitization.

11 (e) The weighted-average original LTV of the subset of mortgage loans in group I was  
12 77.45%. BALTA 2004-11 Pros. Sup. S-5 and A-3.

13 (f) The weighted-average original LTV of the subset of mortgage loans in group II-1  
14 was 78.55%. BALTA 2004-11 Pros. Sup. S-5 and A-12.

15 (g) The weighted-average original LTV of the subset of mortgage loans in group II-2  
16 was 73.24%. BALTA 2004-11 Pros. Sup. S-6 and A-19.

17 (h) The weighted-average original LTV of the subset of mortgage loans in group II-3  
18 was 75.51%. BALTA 2004-11 Pros. Sup. S-6 and A-26.

19 (i) The weighted-average original LTV of the subset of mortgage loans in group II-4  
20 was 73.74%. BALTA 2004-11 Pros. Sup. S-7 and A-33.

21 (j) The weighted-average original LTV of the subset of mortgage loans in group II-5  
22 was 74.17%. BALTA 2004-11 Pros. Sup. S-7 and A-40.

23 (k) The weighted-average original LTV of the subset of mortgage loans in group II-6  
24 was 72.16%. BALTA 2004-11 Pros. Sup. S-8 and A-46.

1 (l) The weighted-average original LTV of the subset of mortgage loans in group II  
2 was 74.35%. BALTA 2004-11 Pros. Sup. S-8 and A-53.

3 (m) In Schedule A of the prospectus supplement ("Certain Characteristics of the  
4 Mortgage Loans"), Bear Stearns and SAMI II presented tables of statistics about the mortgage  
5 loans in the collateral pool. BALTA 2004-12 Pros. Sup. A-1 to A-60. Each table focused on a  
6 certain characteristic of the loans (for example, principal balance at origination) and divided the  
7 loans into categories based on that characteristic (for example, loans with principal balances at  
8 origination of \$0 to \$100,000, \$100,001 to \$200,000, \$200,001 to \$300,000, etc.). Each table then  
9 presented various data about the loans in each category. One of the tables, entitled "Original  
10 Loan-to-Value Ratios in Loan Group I," divided the subset of loans in group I into 13 categories  
11 of original LTV (for example, 0% to 30%, 30.01% to 40%, 40.01% to 50%, etc.). The table made  
12 untrue and misleading statements about the number of mortgage loans, the aggregate principal  
13 balance outstanding, and the percent of aggregate principal balance outstanding in each of these  
14 categories. BALTA 2004-11 Pros. Sup. A-3.

15 (n) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Original  
16 Loan-to-Value Ratios in Loan Group II-1." This table divided the subset of mortgage loans in  
17 group II-1 into 11 categories of original LTV (for example, 30.01% to 40%, 40.01% to 50%,  
18 50.01% to 55%, etc.). The table made untrue and misleading statements about the number of  
19 mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate  
20 principal balance outstanding in each of these categories. BALTA 2004-11 Pros. Sup. A-12.

21 (o) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Original  
22 Loan-to-Value Ratios in Loan Group II-2." This table divided the subset of mortgage loans in  
23 group II-2 into 11 categories of original LTV (for example, 30.01% to 40%, 40.01% to 50%,  
24 50.01% to 55%, etc.). The table made untrue and misleading statements about the number of  
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1 mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate  
2 principal balance outstanding in each of these categories. BALTA 2004-11 Pros. Sup. A-19.

3 (p) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Original  
4 Loan-to-Value Ratios in Loan Group II-3." This table divided the subset of mortgage loans in  
5 group II-3 into 13 categories of original LTV (for example, 0% to 30%, 30.01% to 40%, 40.01%  
6 to 50%, etc.). The table made untrue and misleading statements about the number of mortgage  
7 loans, the aggregate principal balance outstanding, and the percent of aggregate principal balance  
8 outstanding in each of these categories. BALTA 2004-11 Pros. Sup. A-26.

10 (q) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Original  
11 Loan-to-Value Ratios in Loan Group II-4." This table divided the subset of mortgage loans in  
12 group II-4 into nine categories of original LTV (for example, 40.01% to 50%, 50.01% to 55%,  
13 55.01% to 60%, etc.). The table made untrue and misleading statements about the number of  
14 mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate  
15 principal balance outstanding in each of these categories. BALTA 2004-11 Pros. Sup. A-33.

17 (r) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Original  
18 Loan-to-Value Ratios in Loan Group II-5." This table divided the subset of mortgage loans in  
19 group II-5 into 12 categories of original LTV (for example, 0% to 30%, 30.01% to 40%, 40.01%  
20 to 50%, etc.). The table made untrue and misleading statements about the number of mortgage  
21 loans, the aggregate principal balance outstanding, and the percent of aggregate principal balance  
22 outstanding in each of these categories. BALTA 2004-11 Pros. Sup. A-40.

24 (s) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Original  
25 Loan-to-Value Ratios in Loan Group II-6." This table divided the subset of mortgage loans in  
26 group II-6 into 12 categories of original LTV (for example, 0% to 30%, 30.01% to 40%, 40.01%  
27 to 50%, etc.). The table made untrue and misleading statements about the number of mortgage  
28

loans, the aggregate principal balance outstanding, and the percent of aggregate principal balance outstanding in each of these categories. BALTA 2004-11 Pros. Sup. A-46.

(t) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Original Loan-to-Value Ratios in Total Group II." This table divided the subset of mortgage loans in group II into 13 categories of original LTV (for example, 0% to 30%, 30.01% to 40%, 40.01% to 50%, etc.). The table made untrue and misleading statements about the number of mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate principal balance outstanding in each of these categories. BALTA 2004-11 Pros. Sup. A-53.

**Item 62. Details of the results of the AVM analysis:**

Number of loans	4,779
Number of properties on which there was enough information for the model to determine a true market value	2,601
Number of loans on which the stated value was 105% or more of the true market value as reported by the model	1,245
Aggregate amount by which the stated values of those properties exceeded their true market values as reported by the model	\$77,172,112
Number of loans on which the stated value was 95% or less of the true market value as reported by the model	488
Aggregate amount by which the true market values of those properties exceed their stated values	\$33,276,369
Number of loans with LTVs over 100%, as stated by Defendants	0
Number of loans with LTVs over 100%, as determined by the model	242
Weighted-average LTV, as stated by Defendants (group I)	77.5%
Weighted-average LTV, as determined by the model (group I)	85.4%

**Item 71. Undisclosed additional liens:**

- (a) Minimum number of properties with additional liens: 354
- (b) Total reduction in equity from additional liens: \$31,058,122
- (c) Weighted-average reduction in equity from additional liens: 67.4%

**Item 82. Untrue or misleading statements about compliance with USPAP:**

In the prospectus supplement, Bear Stearns and SAMI II made the following statement about the appraisals of the properties that secured the mortgage loans originated by Countrywide:

1 "All appraisals are required to conform to Fannie Mae or Freddie Mac appraisal standards then in  
2 effect." BALTA 2004-11 Pros. Sup. S-40.

3 In the prospectus, Bear Stearns and SAMI II made the following statement about the  
4 appraisals of the properties that secured the mortgage loans in this securitization: "All appraisals  
5 by licensed appraisers are required to be on forms acceptable to Fannie Mae or Freddie Mac."  
6  
7 BALTA 2004-11 Pros. 15.

8 **Item 88. Untrue or misleading statements about owner-occupancy of the properties**  
9 **that secured the mortgage loans:**

10 In the prospectus supplement, Bear Stearns and SAMI II made the following statements  
11 about the occupancy status of the properties that secured the mortgage loans in the collateral pool  
12 of this securitization.

13 (a) In Schedule A of the prospectus supplement, described in Item 52, Bear Stearns  
14 and SAMI II presented a table entitled "Occupancy Status of Mortgage Properties in Loan Group  
15 I." This table divided the subset of mortgage loans in group I into the categories "Owner  
16 Occupied," "Investor," and "Second Home." The table made untrue and misleading statements  
17 about the number of mortgage loans, the aggregate principal balance outstanding, and the percent  
18 of aggregate principal balance outstanding in each of these categories. BALTA 2004-11 Pros.  
19 Sup. A-5.  
20

21 (b) In the "Occupancy Status of Mortgage Properties in Loan Group I" table, Bear  
22 Stearns and SAMI II stated that 70.52% of the subset of mortgage loans in group I were secured  
23 by an "Owner Occupied" property, 21.86% by an "Investor" property, and 7.62% by a "Second  
24 Home." BALTA 2004-11 Pros. Sup. A-5.  
25

26 (c) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Occupancy  
27 Status of Mortgage Properties in Loan Group II-1." This table divided the subset of mortgage  
28 loans in group II-1 into the categories "Owner Occupied," "Investor," and "Second Home." The

1 table made untrue and misleading statements about the number of mortgage loans, the aggregate  
2 principal balance outstanding, and the percent of aggregate principal balance outstanding in each  
3 of these categories. BALTA 2004-11 Pros. Sup. A-13.

4 (d) In the "Occupancy Status of Mortgage Properties in Loan Group II-1" table, Bear  
5 Stearns and SAMI II stated that 85.46% of the subset of mortgage loans in group II-1 were  
6 secured by an "Owner Occupied" property, 13.2% by an "Investor" property, and 1.34% by a  
7 "Second Home." BALTA 2004-11 Pros. Sup. A-13.

9 (e) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Occupancy  
10 Status of Mortgage Properties in Loan Group II-2." This table divided the subset of mortgage  
11 loans in group II-2 into the categories "Owner Occupied," "Investor," and "Second Home." The  
12 table made untrue and misleading statements about the number of mortgage loans, the aggregate  
13 principal balance outstanding, and the percent of aggregate principal balance outstanding in each  
14 of these categories. BALTA 2004-11 Pros. Sup. A-21.

16 (f) In the "Occupancy Status of Mortgage Properties in Loan Group II-2" table, Bear  
17 Stearns and SAMI II stated that 91.4% of the subset of mortgage loans in group II-2 were secured  
18 by an "Owner Occupied" property, 4.83% by an "Investor" property, and 3.77% by a "Second  
19 Home." BALTA 2004-11 Pros. Sup. A-21.

21 (g) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Occupancy  
22 Status of Mortgage Properties in Loan Group II-3." This table divided the subset of mortgage  
23 loans in group II-3 into the categories "Owner Occupied," "Investor," and "Second Home." The  
24 table made untrue and misleading statements about the number of mortgage loans, the aggregate  
25 principal balance outstanding, and the percent of aggregate principal balance outstanding in each  
26 of these categories. BALTA 2004-11 Pros. Sup. A-28.



1 (h) In the "Occupancy Status of Mortgage Properties in Loan Group II-3" table, Bear  
2 Stearns and SAMI II stated that 83.39% of the subset of mortgage loans in group II-3 were  
3 secured by an "Owner Occupied" residence, 13.5% by an "Investor" property, and 3.11% by a  
4 "Second Home." BALTA 2004-11 Pros. Sup. A-28.

5  
6 (i) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Occupancy  
7 Status of Mortgage Properties in Loan Group II-4." This table divided the subset of mortgage  
8 loans in group II-4 into the categories "Owner Occupied," "Investor," and "Second Home." The  
9 table made untrue and misleading statements about the number of mortgage loans, the aggregate  
10 principal balance outstanding, and the percent of aggregate principal balance outstanding in each  
11 of these categories. BALTA 2004-11 Pros. Sup. A-35.

12  
13 (j) In the "Occupancy Status of Mortgage Properties in Loan Group II-4" table, Bear  
14 Stearns and SAMI II stated that 88.14% of the subset of mortgage loans in group II-4 were  
15 secured by an "Owner Occupied" property, 7.41% by an "Investor" property, and 4.45% by a  
16 "Second Home." BALTA 2004-11 Pros. Sup. A-35.

17 (k) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Occupancy  
18 Status of Mortgage Properties in Loan Group II-5." This table divided the subset of mortgage  
19 loans in group II-5 into the categories "Owner Occupied," "Investor," and "Second Home." The  
20 table made untrue and misleading statements about the number of mortgage loans, the aggregate  
21 principal balance outstanding, and the percent of aggregate principal balance outstanding in each  
22 of these categories. BALTA 2004-11 Pros. Sup. A-41.

23  
24 (l) In the "Occupancy Status of Mortgage Properties in Loan Group II-5" table, Bear  
25 Stearns and SAMI II stated that 95.96% of the subset of mortgage loans in group II-5 were  
26 secured by an "Owner Occupied" property, 3.17% by an "Investor" property, and 0.87% by a  
27 "Second Home." BALTA 2004-11 Pros. Sup. A-41.  
28

(m) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Occupancy Status of Mortgage Properties in Loan Group II-6." This table divided the subset of mortgage loans in group II-6 into the categories "Owner Occupied," "Investor," and "Second Home." The table made untrue and misleading statements about the number of mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate principal balance outstanding in each of these categories. BALTA 2004-11 Pros. Sup. A-48.

(n) In the "Occupancy Status of Mortgage Properties in Loan Group II-6" table, Bear Stearns and SAMI II stated that 88.94% of the subset of mortgage loans in group II-6 were secured by an "Owner Occupied" property, 3.97% by an "Investor" property, and 7.08% by a "Second Home." BALTA 2004-11 Pros. Sup. A-48.

(o) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Occupancy Status of Mortgage Properties in Total Group II." This table divided the subset of mortgage loans in group II into the categories "Owner Occupied," "Investor," and "Second Home." The table made untrue and misleading statements about the number of mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate principal balance outstanding in each of these categories. BALTA 2004-11 Pros. Sup. A-55.

(p) In the "Occupancy Status of Mortgage Properties in Total Group II" table, Bear Stearns and SAMI II stated that 90.11% of the subset of mortgage loans in group II were secured by an "Owner Occupied" property, 6.79% by an "Investor" property, and 3.1% by a "Second Home." BALTA 2004-11 Pros. Sup. A-55.

**Item 96. Details of properties that were stated to be owner-occupied, but were not:**

- (a) Number of loans on which the owner of the property instructed tax authorities to send property tax bills to him or her at a different address: 257
- (b) Number of loans on which the owner of the property could have, but did not, designate the property as his or her homestead: 400

1 (c) Number of loans on which the owner of the property owned three or more  
2 properties: 28

3 (d) Number of loans that went straight from current to foreclosure or ownership  
4 by lender: 1

5 (e) Eliminating duplicates, number of loans about which one or more of  
6 statements (a) through (d) is true: 571

7 **Item 99. Untrue or misleading statements about the underwriting standards of the  
8 originators of the mortgage loans:**

9 On pages S-36 through S-38 of the prospectus supplement, Bear Stearns made statements  
10 about the underwriting guidelines of EMC Mortgage Corporation. All of those statements are  
11 incorporated here by reference. In particular, Bear Stearns stated that:

12 (a) "Exceptions to the underwriting standards are permitted where compensating  
13 factors are present." BALTA 2004-11 Pros. Sup. S-37.

14 (b) "Such underwriting standards are applied to evaluate the prospective borrower's  
15 credit standing and repayment ability and the value and adequacy of the mortgaged property as  
16 collateral." BALTA 2004-11 Pros. Sup. S-37.

17 On pages S-38 through S-43 of the prospectus supplement, Bear Stearns made statements  
18 about the underwriting guidelines of Countrywide Home Loans, Inc. All of those statements are  
19 incorporated here by reference. In particular, Bear Stearns stated that:

20 (a) "Exceptions to Countrywide's underwriting guidelines may be made if  
21 compensating factors are demonstrated by a prospective borrower." BALTA 2004-11 Pros. Sup.  
22 S-39.

23 (b) "Countrywide's underwriting standards are applied by or on behalf of  
24 Countrywide to evaluate the prospective borrower's credit standing and repayment ability and the  
25 value and adequacy of the mortgaged property as collateral." BALTA 2004-11 Pros. Sup. S-39.  
26  
27  
28

On pages S-44 through S-45 of the prospectus supplement, Bear Stearns made statements about the underwriting guidelines of GreenPoint Mortgage Funding, Inc. All of those statements are incorporated here by reference. In particular, Bear Stearns stated that:

(a) "Exceptions to the GreenPoint underwriting guidelines are permitted where compensating factors are present." BALTA 2004-11 Pros. Sup. S-44.

(b) "Generally, the GreenPoint underwriting guidelines are applied to evaluate the prospective borrower's credit standing and repayment ability and the value and adequacy of the mortgaged property as collateral." BALTA 2004-11 Pros. Sup. S-44.

**Item 106. Early payment defaults:**

(a) **Number of the mortgage loans that suffered EPDs: 37**

(b) **Percent of the mortgage loans that suffered EPDs: 0.8%**

(c) **Percent of all securitized, non-agency prime (including Alt-A) mortgage loans made at the same time as the loans in the collateral pool that experienced EPDs: 0.14%**

**Item 107. 90+ days delinquencies:**

(a) **Number of the mortgage loans that suffered 90+ days delinquencies: 500**

(b) **Percent of the mortgage loans that suffered 90+ days delinquencies: 10.5%**

(c) **Percent of all securitized, non-agency prime (including Alt-A) mortgage loans made at the same time as the loans in the collateral pool that suffered 90+ days delinquencies: 7.2%**

**Item 117. Statements about the ratings of the certificate(s) that the Bank purchased:**

On page S-2 of the prospectus supplement, Bear Stearns made statements about the ratings assigned to the certificates issued in this securitization. Bear Stearns stated that the Bank's certificate was rated Aaa by Moody's Investors Service, Inc. and AAA by Standard & Poor's Rating Services. These were the highest ratings available from these two rating agencies.

Bear Stearns also stated: "It is a condition to the issuance of the certificates that the offered certificates receive the following ratings from Standard & Poors [sic] Rating Services, a



1 division of The McGraw-Hill Companies, Inc., which is referred to here as S&P, and Moody's  
 2 Investors Service, Inc., which is referred to here as Moody's." The requirement for class I-A-1,  
 3 from which this certificate was to be paid, was for AAA from Standard & Poor's and Aaa from  
 4 Moody's. BALTA 2004-11 Pros. Sup. S-15.

5  
 6 Bear Stearns also stated: "It is a condition to the issuance of each class of Offered  
 7 Certificates that it receives at least the ratings set forth below from S&P and Moody's." The  
 8 requirement for class I-A-1, from which this certificate was to be paid, was for AAA from  
 9 Standard & Poor's and Aaa from Moody's. BALTA 2004-11 Pros. Sup. S-94.

10 **Item 120. Summary of loans about which the Defendants made untrue or misleading**  
 11 **statements:**

- 12 (a) Number of loans whose LTVs were materially understated: 1,245  
 13 (b) Number of loans in which the owner's equity was reduced by 5% or more by  
 14 undisclosed additional liens: 354  
 15 (c) Number of loans that suffered EPDs: 37  
 16 (d) Number of loans in which the properties were stated to be owner-occupied  
 17 but were not: 571  
 18 (e) Eliminating duplicates, number of loans about which the Defendants made  
 19 untrue or misleading statements: 1,867  
 20 (f) Eliminating duplicates, percent of loans about which the Defendants made  
 21 untrue or misleading statements: 39.1%

**SCHEDULE 40 TO THE AMENDED COMPLAINT**

To the extent that this Schedule is incorporated by reference into allegations in the complaint, those allegations are made against Defendants Bear Stearns, SAMI II, and The Bear Stearns Companies, Inc.

**Item 44. Details of trust and certificate(s).**

(a) **Dealer that sold the certificate(s) to the Bank:** Bear Stearns.

(b) **Description of the trust:** Bear Stearns Mortgage Funding Trust, Mortgage Pass-Through Certificates, Series 2006-AR5 was a securitization in December 2006 of 4,781 mortgage loans, in two groups. The mortgage loans in the collateral pool of this securitization were originated by EMC Mortgage Corporation and Bear Stearns Residential Mortgage Corporation. EMC Mortgage Corporation originated 64.03% of the subset of loans in group I and Bear Stearns originated 35.97%. EMC Mortgage Corporation originated 63.8% of the subset of loans in group II and Bear Stearns Residential Mortgage Corporation originated 36.2%. BSMF 2006-AR5 Pros. Sup. S-1 and S-4.

(c) **Description of the certificate(s) that the Bank purchased:** Bear Stearns offered and sold to the Bank a senior certificate in this securitization, in tranche II-A-I, for which the Bank paid \$215,417,000 plus accrued interest on December 29, 2006.

(d) **Ratings of the certificate(s) when the Bank purchased them:** Standard & Poor's— AAA; Moody's— Aaa.

(e) **Current ratings of the certificate(s):** Standard & Poor's— BB-; Moody's— Ba3.

(f) **URL of prospectus supplement for this securitization:**

[http://www.sec.gov/Archives/edgar/data/1382891/000106823806001291/bsmf2006-ar5\\_424b5.htm](http://www.sec.gov/Archives/edgar/data/1382891/000106823806001291/bsmf2006-ar5_424b5.htm)

(g) **Registration statement pursuant or traceable to which the certificate(s) were issued:** Certificates in this trust, including the certificate that the Bank purchased, were issued pursuant or traceable to a registration statement filed by SAMI II with the SEC on form S-3 on March 10, 2006. Annexed to the registration statement was a prospectus. The prospectus was amended from time to time by prospectus supplements whenever a new series of certificates was issued pursuant or traceable to that registration statement.

**Item 52. Untrue or misleading statements about the LTVs of the mortgage loans:**

In the prospectus supplement, Bear Stearns and SAMI II made the following statements about the loan-to-value ratios of the mortgage loans in the collateral pool of this securitization.

(a) The weighted-average LTV at origination of the subset of mortgage loans in group I was 77.64%. BSMF 2006-AR5 Pros. Sup. S-5 and A-2.

(b) The weighted-average LTV at origination of the subset of mortgage loans in Group II was 77.63%. BSMF 2006-AR5 Pros. Sup. S-6 and A-7.

(c) In Schedule A of the prospectus supplement ("Certain Characteristics of the Mortgage Loans"), Bear Stearns and SAMI II presented tables of statistics about the mortgage loans in the collateral pool. BSMF Pros. Sup. A-1 to A-10. Each table focused on a certain characteristic of the loans (for example, principal balance as of the cut-off date) and divided the loans into categories based on that characteristic (for example, loans with principal balances as of the cut-off date of \$0 to \$100,000, \$100,001 to \$200,000, \$200,001 to \$300,000, etc.). Each table then presented various data about the loans in each category. One of the tables, entitled "Original Loan-to-Value Ratios of the Mortgage Loans as of the Cut-Off Date in Group I," divided the subset of loans in group I into 13 categories of LTVs (for example, 0% to 30%, 30.01% to 40%, 40.01% to 50%, etc.). The table made untrue and misleading statements about the number of

1 mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate  
2 principal balance outstanding in each of these categories. BSMF 2006-AR5 Pros. Sup. A-2.

3 (d) In Schedule A of the prospectus supplement, Bear Stearns and SAMI II presented  
4 a table entitled "Original Loan-to-Value Ratios of the Mortgage Loans as of the Cut-Off Date in  
5 Group II." This table divided the subset of mortgage loans in group II into 12 categories of LTVs  
6 (for example, 0% to 30%, 30.01% to 40%, 40.01% to 50%, etc.). The table made untrue and  
7 misleading statements about the number of mortgage loans, the aggregate principal balance  
8 outstanding, and the percent of aggregate principal balance outstanding in each of these  
9 categories. BSMF 2006-AR5 Pros. Sup. A-7.

10 **Item 62. Details of the results of the AVM analysis:**

11	Number of loans	4,781
12	Number of properties on which there was enough information for the 13 model to determine a true market value	3,814
14	Number of loans on which the stated value was 105% or more of the 15 true market value as reported by the model	2,699
16	Aggregate amount by which the stated values of those properties 17 exceeded their true market values as reported by the model	\$219,499,389
18	Number of loans on which the stated value was 95% or less of the true 19 market value as reported by the model	257
20	Aggregate amount by which the true market values of those properties 21 exceed their stated values	\$19,190,535
22	Number of loans with LTVs over 100%, as stated by Defendants	0
23	Number of loans with LTVs over 100%, as determined by the model	522
24	Weighted-average LTV, as stated by Defendants (group II)	77.6%
25	Weighted-average LTV, as determined by the model (group II)	88.3%

26 **Item 65. Evidence from subsequent sales of refinanced properties:**

27 Of the 4,781 mortgage loans in the collateral pool, 2,502 were taken out to refinance,  
28 rather than to purchase, properties. For those 2,502 loans, the value (denominator) in the LTV  
was an appraised value rather than a sale price. Of those 2,502 properties, 593 were subsequently  
sold for a total of approximately \$172,866,954. The total value ascribed to those same properties  
in the LTV data reported in the prospectus supplements and other documents sent to the Bank



1 was \$319,704,573. Thus, those properties were sold for 54.1% of the value ascribed to them, a  
 2 difference of 45.9%. This difference cannot be accounted for by declines in house prices in the  
 3 areas in which those properties were located.

4 **Item 71. Undisclosed additional liens:**

- 5 (a) Minimum number of properties with additional liens: 142  
 6 (b) Total reduction in equity from additional liens: \$16,174,643  
 7 (c) Weighted-average reduction in equity from additional liens: 52.7%

8 **Item 82. Untrue or misleading statements about compliance with USPAP:**

9 In the prospectus supplement, Bear Stearns and SAMI II made the following statement  
 10 about the appraisals of the properties that secured the mortgage loans originated by EMC  
 11 Mortgage Corporation: "All appraisals are required to conform to the Uniform Standards of  
 12 Professional Appraisal Practice adopted by the Appraisal Standard Board of the Appraisal  
 13 Foundation." BSMF 2006-AR5 Pros. Sup. S-32.

14 **Item 88. Untrue or misleading statements about owner-occupancy of the properties  
 15 that secured the mortgage loans:**

16 In the prospectus supplement, Bear Stearns and SAMI II made the following statements  
 17 about the occupancy status of the properties that secured the mortgage loans in the collateral pool  
 18 of this securitization.

- 19 (a) In Schedule A of the prospectus supplement, described in Item 52, Bear Stearns  
 20 and SAMI II presented a table entitled "Occupancy Status of Mortgaged Properties in Group I."  
 21 This table divided the subset of mortgage loans in group I into the categories "Owner Occupied,"  
 22 "Investor," and "Second Home." The table made untrue and misleading statements about the  
 23 number of mortgage loans, the aggregate principal balance outstanding, and the percent of  
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1 aggregate principal balance outstanding in each of these categories. BSMF 2006-AR5 Pros. Sup.  
2 A-3.

3 (b) In the "Occupancy Status of Mortgaged Properties in Group I" table, Bear Stearns  
4 and SAMI II stated that 90.16% of the subset of mortgage loans in group I were secured by an  
5 "Owner Occupied" property, 6.58% by an "Investor" property, and 3.26% by a "Second Home."  
6 BSMF 2006-AR5 Pros. Sup. A-3.

7 (c) In Schedule A, Bear Stearns and SAMI II presented a table entitled "Occupancy  
8 Status of Mortgaged Properties in Group II." This table divided the subset of mortgage loans in  
9 group II into the categories "Owner Occupied," "Investor," and "Second Home." The table made  
10 untrue and misleading statements about the number of mortgage loans, the aggregate principal  
11 balance outstanding, and the percent of aggregate principal balance outstanding in each of these  
12 categories. BSMF 2006-AR5 Pros. Sup. A-8.

13 (d) In the "Occupancy Status of Mortgaged Properties in Group II" table, Bear Stearns  
14 and SAMI II stated that 94.17% of the subset of mortgage loans in group II were secured by an  
15 "Owner Occupied" property, 4.26% by an "Investor" property, and 1.57% by a "Second Home."  
16 BSMF 2006-AR5 Pros. Sup. A-8.

17 **Item 96. Details of properties that were stated to be owner-occupied, but were not:**

- 18 (a) **Number of loans on which the owner of the property instructed tax**  
19 **authorities to send property tax bills to him or her at a different address: 56**
- 20 (b) **Number of loans on which the owner of the property could have, but did not,**  
21 **designate the property as his or her homestead: 691**
- 22 (c) **Number of loans on which the owner of the property owned three or more**  
23 **properties: 66**
- 24 (d) **Number of loans that went straight from current to foreclosure or ownership**  
25 **by lender: 9**
- 26 (e) **Eliminating duplicates, number of loans about which one or more of**  
27 **statements (a) through (d) is true: 807**  
28

**Item 99. Untrue or misleading statements about the underwriting standards of the originators of the mortgage loans:**

On pages S-30 through S-32 of the prospectus supplement, Bear Stearns made statements about the underwriting guidelines of EMC Mortgage Corporation. All of those statements are incorporated here by reference. In particular, Bear Stearns stated that:

(a) "Exceptions to the underwriting standards are permitted where compensating factors are present and are managed through a formal exception process." BSMF 2006-AR5 Pros. Sup. S-30.

(b) "Such underwriting standards are applied to evaluate the prospective borrower's credit standing and repayment ability and the value and adequacy of the mortgaged property as collateral." BSMF 2006-AR5 Pros. Sup. S-30.

On pages S-32 through S-36 of the prospectus supplement, Bear Stearns made statements about the underwriting guidelines of Bear Stearns Residential Mortgage Corporation. All of those statements are incorporated here by reference. In particular, Bear Stearns stated that:

(c) "Exceptions to the BSRM Underwriting Guidelines are considered with reasonable compensating factors on a case-by-case basis and at the sole discretion of senior management." BSMF 2006-AR5 Pros. Sup. S-33.

(d) "During the underwriting process, BSRM calculates and verifies the loan applicant's sources of income (except documentation types, which do not require such information to be stated or independently verified), reviews the credit history of the applicant, calculates the debt-to-income ratio to determine the applicant's ability to repay the loan, and reviews the mortgaged property for compliance with the BSRM Underwriting Guidelines." BSMF 2006-AR5 Pros. Sup. S-33.

**Item 106. Early payment defaults:**

(a) **Number of the mortgage loans that suffered EPDs: 112**

- 1 (b) Percent of the mortgage loans that suffered EPDs: 2.3%
- 2 (c) Percent of all securitized, non-agency prime (including Alt-A) mortgage loans
- 3 made at the same time as the loans in the collateral pool that experienced
- 4 EPDs: 0.44%
- 5 Item 107. 90+ days delinquencies:
- 6 (a) Number of the mortgage loans that suffered 90+ days delinquencies: 2,977
- 7 (b) Percent of the mortgage loans that suffered 90+ days delinquencies: 62.3%
- 8 (c) Percent of all securitized, non-agency prime (including Alt-A) mortgage loans
- 9 made at the same time as the loans in the collateral pool that suffered 90+
- 10 days delinquencies: 32.7%
- 11 Item 108. 30+ days delinquencies in this securitization:
- 12 (a) Number of the mortgage loans that were 30+ days delinquent on March 31,
- 13 2010: 2,888
- 14 (b) Percent of the mortgage loans that were 30+ days delinquent on March 31,
- 15 2010: 60.4%
- 16 (c) Percent of all mortgage loans in the United States that were 30+ days
- 17 delinquent on March 31, 2010: 14.7%

18 Item 117. Statements about the ratings of the certificate(s) that the Bank purchased:

19 On page S-2 of the prospectus supplement, Bear Stearns made statements about the

20 ratings assigned to the certificates issued in this securitization. Bear Stearns stated that the Bank's

21 certificate was rated Aaa by Moody's Investors Service, Inc. and AAA by Standard & Poor's

22 Rating Services. These were the highest ratings available from these two rating agencies.

23 Bear Stearns also stated: "It is a condition to the issuance of the certificates that the

24 offered certificates receive the following ratings from Standard & Poor's Rating Services . . . and

25 Moody's Investors Service, Inc. . . ." The requirement for class II-A-I, from which this certificate

26 was to be paid, was for AAA from Standard & Poor's and Aaa from Moody's. BSMF 2006-AR5

27 Pros. Sup. S-11.

28



1 Bear Stearns also stated: "It is a condition to the issuance of each class of Offered  
2 Certificates that it receives at least the ratings set forth below from S&P and Moody's." BSMF  
3 2006-AR5 Pros. Sup. S-97

4 **Item 120. Summary of loans about which the Defendants made untrue or misleading**  
5 **statements:**

- 6
- 7 (a) Number of loans whose LTVs were materially understated: 2,699
- 8 (b) Number of loans in which the owner's equity was reduced by 5% or more by  
9 undisclosed additional liens: 142
- 10 (c) Number of loans that suffered EPDs: 112
- 11 (d) Number of loans in which the properties were stated to be owner-occupied  
12 but were not: 807
- 13 (e) Eliminating duplicates, number of loans about which the Defendants made  
14 untrue or misleading statements: 3,094
- 15 (f) Eliminating duplicates, percent of loans about which the Defendants made  
16 untrue or misleading statements: 64.7%
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14 Federal Home Loan Bank of San Francisco

15 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA

16 IN AND FOR THE CITY AND COUNTY OF SAN FRANCISCO

17  
18 FEDERAL HOME LOAN BANK OF SAN  
19 FRANCISCO,

20 Plaintiff,

21 v.

22 CREDIT SUISSE SECURITIES (USA) LLC,  
23 F/K/A CREDIT SUISSE FIRST BOSTON  
LLC;

24 CREDIT SUISSE FIRST BOSTON  
MORTGAGE SECURITIES CORP.;  
25 DEUTSCHE BANK SECURITIES, INC.;  
DEUTSCHE ALT-A SECURITIES, INC.;  
26 J.P. MORGAN SECURITIES, INC., F/K/A  
27 BEAR STEARNS & CO., INC.;  
STRUCTURED ASSET MORTGAGE  
28 INVESTMENTS II, INC.;

No. CGC-10-497840

**VOLUME 3 OF SCHEDULES OF  
FIRST AMENDED COMPLAINT  
(SCHEDULES 41-60)**

SCHEDULES OF THE FIRST AMENDED COMPLAINT (*Credit Suisse*, 497840)

1 THE BEAR STEARNS COMPANIES, LLC,  
2 F/K/A THE BEAR STEARNS COMPANIES,  
INC.;  
3 RBS SECURITIES, INC., F/K/A  
4 GREENWICH CAPITAL MARKETS, INC.;  
5 RBS ACCEPTANCE, INC. F/K/A  
6 GREENWICH CAPITAL ACCEPTANCE,  
INC.;  
7 MORGAN STANLEY & CO.  
8 INCORPORATED;  
9 UBS SECURITIES, LLC;  
10 MORTGAGE ASSET SECURITIZATION  
11 TRANSACTIONS, INC.;  
12 BANC OF AMERICA SECURITIES LLC;  
13 BANC OF AMERICA FUNDING  
14 CORPORATION;  
15 BANC OF AMERICA MORTGAGE  
16 SECURITIES, INC.;  
17 COUNTRYWIDE SECURITIES  
18 CORPORATION;  
19 CWALT, INC.;  
20 COUNTRYWIDE FINANCIAL  
21 CORPORATION; AND,  
22 DOES 1-50,

Defendants.

**SCHEDULE 41 TO THE AMENDED COMPLAINT**

To the extent that this Schedule is incorporated by reference into allegations in the complaint, those allegations are made against Defendants Bear Stearns, CWALT, and Countrywide Financial Corporation.

**Item 44. Details of trust and certificate(s).**

(a) **Dealer that sold the certificate(s) to the Bank:** Bear Stearns.

(b) **Description of the trust:** Alternative Loan Trust, Mortgage Pass-Through Certificates, Series 2005-46CB was a securitization in August 2005 of 6,027 mortgage loans,<sup>1</sup> in one pool. The mortgage loans in the collateral pool of this securitization were originated or acquired by Countrywide Home Loans, Inc. CWALT 2005-46CB Pros. Sup. S-4, S-14, and S-27.

(c) **Description of the certificate(s) that the Bank purchased:** Bear Stearns offered and sold to the Bank a senior certificate in this securitization, in tranche A-16, for which the Bank paid \$110,640,356 plus accrued interest on August 30, 2005.

(d) **Ratings of the certificate(s) when the Bank purchased them:** Moody's—Aaa; Fitch—AAA.

(e) **Current ratings of the certificate(s):** Moody's—Baa1; Fitch—BBB.

(f) **URL of prospectus supplement for this securitization:**  
<http://www.sec.gov/Archives/edgar/data/1269518/000095012905008886/v11891e424b5.txt>

(g) **Registration statement pursuant or traceable to which the certificate(s) were issued:** Certificates in this trust, including the certificate that the Bank purchased, were issued pursuant or traceable to a registration statement filed by CWALT with the SEC on form S-3 on

<sup>1</sup> CWALT 2005-46CB was a prefunded securitization. On the closing date of the securitization there were 6,027 mortgage loans in the trust. After the closing date of the securitization, the trust purchased an additional 330 mortgage loans.



1 July 25, 2005. Annexed to the registration statement was a prospectus. The prospectus was  
2 amended from time to time by prospectus supplements whenever a new series of certificates was  
3 issued pursuant or traceable to that registration statement

4 **Item 52. Untrue or misleading statements about the LTVs of the mortgage loans:**

5 In the prospectus supplement, Bear Stearns and CWALT made the following statements  
6 about the LTVs of the mortgage loans in the collateral pool of this securitization.  
7

8 (a) "No initial mortgage loan had a Loan-to-Value Ratio at origination of more than  
9 100%." CWALT 2005-46CB Pros. Sup. S-15.

10 (b) In the section of the prospectus supplement entitled "The Mortgage Pool," Bear  
11 Stearns and CWALT presented tables of statistics about the mortgage loans in the collateral pool.  
12 Each table focused on a certain characteristic of the loans (for example, current mortgage loan  
13 principal balance) and divided the loans into categories based on that characteristic (for example,  
14 loans with current principal balances of \$0.01 to \$50,000, \$50,000.01 to \$100,000, \$100,000.01  
15 to \$150,000, etc.). Each table then presented various data about the loans in each category.  
16 Among these data was the "Weighted Average Original Loan-to-Value Ratio." There were 10  
17 such tables in "The Mortgage Pool" section of the prospectus supplement for all of the loans in  
18 the collateral pool. In each table, the number of categories into which the loans were divided  
19 ranged from three to 53. Thus, in "The Mortgage Pool" section of the prospectus supplement,  
20 Bear Stearns and CWALT made hundreds of statements about the original LTVs of the loans in  
21 the collateral pool. CWALT 2005-46CB Pros. Sup. S-17 to S-24.

22 (c) "As of the initial cut-off date, the weighted average original Loan-to-Value Ratio  
23 of the Initial Mortgage Loans is approximately 71.79%." CWALT 2005-46CB Pros. Sup. S-21.  
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28

**Item 62. Details of the results of the AVM analysis:**

Number of loans	6,357
Number of properties on which there was enough information for the model to determine a true market value	3,137
Number of loans on which the stated value was 105% or more of the true market value as reported by the model	1,520
Aggregate amount by which the stated values of those properties exceeded their true market values as reported by the model	\$71,024,117
Number of loans on which the stated value was 95% or less of the true market value as reported by the model	621
Aggregate amount by which the true market values of those properties exceed their stated values	\$40,741,368
Number of loans with LTVs over 100%, as stated by Defendants	0
Number of loans with LTVs over 100%, as determined by the model	200
Weighted-average LTV, as stated by Defendants	71.8%
Weighted-average LTV, as determined by the model	76.9%

**Item 71. Undisclosed additional liens:**

- (a) Minimum number of properties with additional liens: 434
- (b) Total reduction in equity from additional liens: \$22,712,424
- (c) Weighted-average reduction in equity from additional liens: 66.4%

**Item 82. Untrue or misleading statements about compliance with USPAP:**

In the prospectus supplement, Bear Stearns and CWALT made the following statement about the appraisals of the properties that secured the mortgage loans originated by Countrywide:

"All appraisals are required to conform to Fannie Mae or Freddie Mac appraisal standards then in effect." CWALT 2005-46CB Pros. Sup. S-29.

**Item 88. Untrue or misleading statements about owner-occupancy of the properties that secured the mortgage loans:**

In the prospectus supplement, Bear Stearns and CWALT made the following statements about the occupancy status of the properties that secured the mortgage loans in the collateral pool of this securitization.

- (a) In "The Mortgage Pool" section of the prospectus supplement, described in Item 52, Bear Stearns and CWALT presented a table entitled "Occupancy Types." This table divided

1 all of the mortgage loans in the collateral pool into the categories "Primary Residence,"  
 2 "Investment Property," and "Secondary Residence." The table made untrue and misleading  
 3 statements about the number of mortgage loans, the aggregate principal balance outstanding, and  
 4 the percent of aggregate principal balance outstanding in each of these categories. CWALT 2005-  
 5 46CB Pros. Sup. S-24.  
 6

7 (b) In the "Occupancy Types" table, Bear Stearns and CWALT stated that 83.98% of  
 8 the mortgage loans in the collateral pool were secured by a "Primary Residence," 11.84% by an  
 9 "Investment Property," and 4.18% by a "Secondary Residence." CWALT 2005-46CB Pros. Sup  
 10 S-24.  
 11

12 **Item 96. Details of properties that were stated to be owner-occupied, but were not:**

- 13 (a) Number of loans on which the owner of the property instructed tax  
 14 authorities to send property tax bills to him or her at a different address: 419  
 15 (b) Number of loans on which the owner of the property could have, but did not,  
 16 designate the property as his or her homestead: 572  
 17 (c) Number of loans on which the owner of the property owned three or more  
 18 properties: 39  
 19 (d) Number of loans that went straight from current to foreclosure or ownership  
 20 by lender: 2  
 21 (e) Eliminating duplicates, number of loans about which one or more of  
 22 statements (a) through (d) is true: 905

23 **Item 99. Untrue or misleading statements about the underwriting standards of the**  
 24 **originators of the mortgage loans:**

25 On pages S-27 through S-32 of the prospectus supplement, Bear Stearns and CWALT  
 26 made statements about the underwriting guidelines of Countrywide Home Loans, Inc. All of those  
 27 statements are incorporated here by reference. In particular, Bear Stearns stated that:  
 28

(a) "Exceptions to Countrywide Home Loans' underwriting guidelines may be made if compensating factors are demonstrated by a prospective borrower." CWALT 2005-46CB Pros. Sup. S-28.

(b) "Countrywide Home Loans' underwriting standards are applied by or on behalf of Countrywide Home Loans to evaluate the prospective borrower's credit standing and repayment ability and the value and adequacy of the mortgaged property as collateral." CWALT 2005-46CB Pros. Sup. S-28.

**Item 106. Early payment defaults:**

(a) Number of the mortgage loans that suffered EPDs: 19

(b) Percent of the mortgage loans that suffered EPDs: 0.3%

(c) Percent of all securitized, non-agency prime (including Alt-A) mortgage loans made at the same time as the loans in the collateral pool that experienced EPDs: 0.18%

**Item 117. Statements about the ratings of the certificate(s) that the Bank purchased:**

On page S-3 of the prospectus supplement, Bear Stearns and CWALT made statements about the ratings assigned to the certificates issued in this securitization. Bear Stearns and CWALT stated that the Bank's certificate was rated Aaa by Moody's Investors Service, Inc. and AAA by Standard & Poor's Rating Services. These were the highest ratings available from these two rating agencies.

Bear Stearns and CWALT also stated: "The classes of certificates listed below will not be offered unless they are assigned the following ratings by Fitch, Inc. ("Fitch") and Moody's Investors Service, Inc. ("Moody's")." CWALT 2005-46CB Pros. Sup. S-3.

Bear Stearns and CWALT also stated: "It is a condition to the issuance of the senior certificates that they be rated "AAA" by Fitch Ratings, Inc. ("Fitch") and "Aaa" by Moody's Investors Service, Inc. ("Moody's")." CWALT 2005-46CB Pros. Sup. S-80.



1 **Item 120. Summary of loans about which the Defendants made untrue or misleading**  
2 **statements:**

- 3 (a) Number of loans whose LTVs were materially understated: 1,520  
4 (b) Number of loans in which the owner's equity was reduced by 5% or more by  
5 undisclosed additional liens: 4334(c) Number of loans that suffered  
6 EPDs: 19  
7 (d) Number of loans in which the properties were stated to be owner-occupied  
8 but were not: 905  
9 (e) Eliminating duplicates, number of loans about which the Defendants made  
10 untrue or misleading statements: 2,418  
11 (f) Eliminating duplicates, percent of loans about which the Defendants made  
12 untrue or misleading statements: 38.0%  
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**SCHEDULE 42 TO THE AMENDED COMPLAINT**

To the extent that this Schedule is incorporated by reference into allegations in the complaint, those allegations are made against Defendants Greenwich Capital and Greenwich Capital Acceptance.

**Item 44. Details of trust and certificate(s).**

(a) Dealer that sold the certificate(s) to the Bank: Greenwich Capital.

(b) Description of the trust: HarborView Mortgage Loan Trust, Mortgage Pass-Through Certificates, Series 2005-3 was a securitization in May 2005 of 4,508 mortgage loans, in two groups. The mortgage loans in the collateral pool of this securitization were originated by Countrywide Home Loans, Inc. HVMLT 2005-3 Pros. Sup. S-4 and S-27.

(c) Description of the certificate(s) that the Bank purchased: Greenwich Capital offered and sold to the Bank a senior certificate in this securitization, in tranche 2-A1B, for which the Bank paid \$153,063,000 plus accrued interest on May 31, 2005.

(d) Ratings of the certificate(s) when the Bank purchased them: Standard & Poor's— AAA; Moody's— Aaa.

(e) Current ratings of the certificate(s): Standard & Poor's— BB+, Moody's— Ba3.

(f) URL of prospectus supplement for this securitization:

[http://www.sec.gov/Archives/edgar/data/826219/000112528205002847/b407025\\_424b5.txt](http://www.sec.gov/Archives/edgar/data/826219/000112528205002847/b407025_424b5.txt)

**Item 52. Untrue or misleading statements about the LTVs of the mortgage loans:**

In the prospectus supplement, Greenwich Capital and Greenwich Capital Acceptance made the following statements about the LTVs of the mortgage loans in the collateral pool of this securitization.

1 (a) "With respect to approximately 28.58% of all the mortgage loans, and  
2 approximately 22.60% and 32.55% of the group 1 and group 2 mortgage loans, respectively . . .  
3 [t]he weighted average loan-to-value ratio of such mortgage loans is approximately 78.54% with  
4 respect to those group 1 mortgage loans and approximately 74.98% with respect to those group 2  
5 mortgage loans." HVMLT 2005-3 Pros. Sup. S-25 to S-26.

6  
7 (b) "Approximately 3.01% of all of the mortgage loans, and approximately 5.97% and  
8 1.05% of the group 1 and group 2 mortgage loans, respectively, have original loan-to-value ratios  
9 in excess of 80%." HVMLT 2005-3 Pros. Sup. S-29.

10 (c) In the section of the prospectus supplement entitled "The Mortgage Loan Groups,"  
11 Greenwich Capital and Greenwich Capital Acceptance presented tables of statistics about the  
12 mortgage loans in the collateral pool. HVMLT 2005-3 Pros. Sup. S-32 to S-57. Each table  
13 focused on a certain characteristic of the loans (for example, principal balance) and divided the  
14 loans into categories based on that characteristic (for example, loans with principal balances of  
15 \$32,930 to \$50,000, \$50,001 to \$10,000, \$100,001 to \$150,000, etc.). Each table then presented  
16 various data about the loans in each category. One of the tables, entitled "Original Loan-to-Value  
17 Ratios of the Mortgage Loans," divided all of the loans in the collateral pool into 18 categories of  
18 original LTV (for example, 10% and below, 10.01% to 15%, 15.01% to 20%, etc.). The table  
19 made untrue and misleading statements about the number of mortgage loans, the aggregate  
20 principal balance outstanding, and the percent of aggregate principal balance outstanding in each  
21 of these categories. HVMLT 2005-3 Pros. Sup. S-35.

22  
23  
24 (d) "The weighted average original loan-to-value ratio of the mortgage loans was  
25 approximately 74.11% as of the cut-off date." HVMLT 2005-3 Pros. Sup. S-35.

26 (e) In "The Mortgage Loan Groups" section, Greenwich Capital and Greenwich  
27 Capital Acceptance presented another table entitled "Original Loan-to-Value Ratios of the Group  
28

1 I Mortgage Loans." This table divided the subset of mortgage loans in Group I into 18 categories  
2 of original loan-to-value ratios (for example, 10% and below, 10.01% to 15%, 15.01% to 20%,  
3 etc.). The table made untrue and misleading statements about the number of mortgage loans, the  
4 aggregate principal balance outstanding, and the percent of aggregate principal balance  
5 outstanding in each of these categories. HVMLT 2005-3 Pros. Sup. S-43.  
6

7 (f) "The weighted average original loan to value ratio of the Group 1 mortgage loans  
8 was approximately 74.76% as of the cut-off date." HVMLT 2005-3 Pros. Sup. S-43.

9 (g) In "The Mortgage Loan Groups" section, Greenwich Capital and Greenwich  
10 Capital Acceptance presented another table entitled "Original Loan-to-Value Ratios of the Group  
11 II Mortgage Loans." This table divided the subset of mortgage loans in Group II into 15  
12 categories of original loan-to-value ratios (for example, 21.43% to 25%, 25.01% to 30%, 30.01%  
13 to 35%, etc.). The table made untrue and misleading statements about the number of mortgage  
14 loans, the aggregate principal balance outstanding, and the percent of aggregate principal balance  
15 outstanding in each of these categories. HVMLT 2005-3 Pros. Sup. S-53.  
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17 (h) "The weighted average original loan to value ratio of the Group 2 mortgage loans  
18 was approximately 73.68% as of the cut-off date." HVMLT 2005-3 Pros. Sup. S-53.  
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**Item 62. Details of the results of the AVM analysis:**

Number of loans	4,508
Number of properties on which there was enough information for the model to determine a true market value	3,095
Number of loans on which the stated value was 105% or more of the true market value as reported by the model	1,535
Aggregate amount by which the stated values of those properties exceeded their true market values as reported by the model	\$125,414,782
Number of loans on which the stated value was 95% or less of the true market value as reported by the model	512
Aggregate amount by which the true market values of those properties exceed their stated values	\$38,766,309
Number of loans with LTVs over 100%, as stated by Defendants	0
Number of loans with LTVs over 100%, as determined by the model	236
Weighted-average LTV, as stated by Defendants	74.1%
Weighted-average LTV, as determined by the model	83.0%

**Item 65. Evidence from subsequent sales of refinanced properties:**

Of the 4,508 mortgage loans in the collateral pool, 2,774 were taken out to refinance, rather than to purchase, properties. For those 2,774 loans, the value (denominator) in the LTV was an appraised value rather than a sale price. Of those 2,774 properties, 553 were subsequently sold for a total of approximately \$229,160,822. The total value ascribed to those same properties in the LTV data reported in the prospectus supplements and other documents sent to the Bank was \$259,317,200. Thus, those properties were sold for 88.4% of the value ascribed to them, a difference of 11.6%. This difference cannot be accounted for by declines in house prices in the areas in which those properties were located.

**Item 82. Untrue or misleading statements about compliance with USPAP:**

In the prospectus supplement, Greenwich Capital and Greenwich Capital Acceptance made the following statement about the appraisals of the properties that secured the mortgage loans originated by Countrywide: "All appraisals are required to conform to Fannie Mae or Freddie Mac appraisal standards then in effect." HVMLT 2005-3 Pros. Sup. S-62.

**Item 88. Untrue or misleading statements about owner-occupancy of the properties that secured the mortgage loans:**

In the prospectus supplement, Greenwich Capital and Greenwich Capital Acceptance made the following statements about the occupancy status of the properties that secured the mortgage loans in the collateral pool of this securitization.

(a) In "The Mortgage Loan Groups" section of the prospectus supplement, described in Item 52, Greenwich Capital and Greenwich Capital Acceptance presented a table entitled "Stated Occupancy Status of the Mortgage Loans." This table divided all of the mortgage loans in the collateral pool into the categories "Primary," "Investor," and "Second Home." The table made untrue and misleading statements about the number of mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate principal balance outstanding in each of these categories. HVMLT 2005-3 Pros. Sup. S-34.

(b) In the "Stated Occupancy Status of the Mortgage Loans" table, Greenwich Capital and Greenwich Capital Acceptance stated that 80.87% of the mortgage loans in the collateral pool were secured by a "Primary" residence, 14.09% by an "Investor" property, and 5.03% by a "Second Home." HVMLT 2005-3 Pros. Sup. S-34.

(c) In "The Mortgage Loan Groups" section of the prospectus supplement, Greenwich Capital and Greenwich Capital Acceptance presented a table entitled "Stated Occupancy Status of the Group 1 Mortgage Loans." This table divided the subset of mortgage loans in Group 1 into the categories "Primary," "Investor," and "Second Home." The table made untrue and misleading statements about the number of mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate principal balance outstanding in each of these categories. HVMLT 2005-3 Pros. Sup. S-42.

(d) In the "Stated Occupancy Status of the Group 1 Mortgage Loans" table, Greenwich Capital and Greenwich Capital Acceptance stated that 70.77% of the subset of

1 mortgage loans in Group 1 were secured by a "Primary" residence, 24.27% by an "Investor"  
 2 property, and 4.97% by a "Second Home." HVMLT 2005-3 Pros. Sup. S-42.

3 (e) In "The Mortgage Loan Groups" section, Greenwich Capital and Greenwich  
 4 Capital Acceptance presented a table entitled "Stated Occupancy Status of the Group 2 Mortgage  
 5 Loans." This table divided the subset of mortgage loans in Group 2 into the categories "Primary,"  
 6 "Investor," and "Second Home." The table made untrue and misleading statements about the  
 7 number of mortgage loans, the aggregate principal balance outstanding, and the percent of  
 8 aggregate principal balance outstanding in each of these categories. HVMLT 2005-3 Pros. Sup.  
 9 S-52.

11 (f) In the "Stated Occupancy Status of the Group 2 Mortgage Loans" table,  
 12 Greenwich Capital and Greenwich Capital Acceptance stated that 87.59% of the subset of  
 13 mortgage loans in Group 2 were secured by a "Primary" residence, 7.33% by an "Investor"  
 14 property, and 5.08% by a "Second Home." HVMLT 2005-3 Pros. Sup. S-52.

16 **Item 96. Details of properties that were stated to be owner-occupied, but were not:**

- 17 (a) Number of loans on which the owner of the property instructed tax  
 18 authorities to send property tax bills to him or her at a different address: 368
- 19 (b) Number of loans on which the owner of the property could have, but did not,  
 20 designate the property as his or her homestead: 673
- 21 (c) Number of loans on which the owner of the property owned three or more  
 22 properties: 45
- 23 (d) Eliminating duplicates, number of loans about which one or more of  
 24 statements (a) through (c) is true: 865

25 **Item 99. Untrue or misleading statements about the underwriting standards of the**  
 26 **originators of the mortgage loans:**

27 On page S-59 of the prospectus supplement, Greenwich Capital and Greenwich Capital  
 28 Acceptance made statements about the underwriting guidelines of the originators. All of those

1 statements are incorporated here by reference. In particular, Greenwich Capital and Greenwich  
2 Capital Acceptance stated that:

3 (a) "Underwriting standards are applied by or on behalf of a lender to evaluate a  
4 borrower's credit standing and repayment ability, and the value and adequacy of the mortgaged  
5 property as collateral." HVMLT 2005-3 Pros. Sup. S-59.  
6

7 On pages S-59 through S-66 of the prospectus supplement, Greenwich Capital and  
8 Greenwich Capital Acceptance made statements about the underwriting guidelines of  
9 Countrywide Home Loans, Inc. All of those statements are incorporated here by reference. In  
10 particular, Greenwich Capital and Greenwich Capital Acceptance stated that:

11 "Exceptions to Countrywide' [sic] underwriting guidelines may be made if compensating  
12 factors are demonstrated by a prospective borrower." HVMLT 2005-3 Pros. Sup. S-61.  
13

14 **Item 106. Early payment defaults:**

- 15 (a) Number of the mortgage loans that suffered EPDs: 10
- 16 (b) Percent of the mortgage loans that suffered EPDs: 0.2%
- 17 (c) Percent of all securitized, non-agency prime (including Alt-A) mortgage loans  
18 made at the same time as the loans in the collateral pool that experienced  
EPDs: 0.18%

19 **Item 107. 90+ days delinquencies:**

- 20 (a) Number of the mortgage loans that suffered 90+ days delinquencies: 903
- 21 (b) Percent of the mortgage loans that suffered 90+ days delinquencies: 20.0%
- 22 (c) Percent of all securitized, non-agency prime (including Alt-A) mortgage loans  
23 made at the same time as the loans in the collateral pool that suffered 90+  
days delinquencies: 16.5%

24 **Item 108. 30+ days delinquencies in this securitization:**

- 25 (a) Number of the mortgage loans that were 30+ days delinquent on March 31,  
26 2010: 856
- 27 (b) Percent of the mortgage loans that were 30+ days delinquent on March 31,  
28 2010: 19.0%



- 1           (c)    **Percent of all mortgage loans in the United States that were 30+ days**  
 2               **delinquent on March 31, 2010: 14.7%**

3   **Item 117.    Statements about the ratings of the certificate(s) that the Bank purchased:**

4           On page S-12 of the prospectus supplement, Greenwich Capital and Greenwich Capital  
 5   Acceptance made statements about the ratings assigned to the certificates issued in this  
 6   securitization. Greenwich Capital and Greenwich Capital Acceptance stated that the Bank's  
 7   certificate was to be rated Aaa by Moody's Investors Service, Inc. and AAA by Standard &  
 8   Poor's Rating Services. These were the highest ratings available from these two rating agencies.

9           Greenwich Capital and Greenwich Capital Acceptance also stated: "It is a condition to the  
 10   issuance of the offered certificates that the certificates initially have the following ratings from  
 11   Moody's Investors Service, Inc. and Standard & Poor's Ratings Services . . . ." The requirement  
 12   for class 2-A1B, from which this certificate was to be paid, was for AAA from Standard & Poor's  
 13   and Aaa from Moody's. HVMLT 2005-3 Pros. Sup. S-12.

14           Greenwich Capital and Greenwich Capital Acceptance also stated: "It is a condition to the  
 15   issuance of the offered certificates that the senior certificates be rated "Aaa" by Moody's  
 16   Investors Service, Inc. ("Moody's") and "AAA" by Standard & Poor's Ratings Services . . . ."  
 17   HVMLT 2005-3 Pros. Sup. S-130.

18   **Item 120.    Summary of loans about which the Defendants made untrue or misleading**  
 19               **statements:**

- 20           (a)    **Number of loans whose LTVs were materially understated: 1,535**  
 21           (b)    **Number of loans that suffered EPDs: 10**  
 22           (c)    **Number of loans in which the properties were stated to be owner-occupied**  
 23               **but were not: 865**  
 24           (d)    **Eliminating duplicates, number of loans about which the Defendants made**  
 25               **untrue or misleading statements: 2,025**  
 26           (e)    **Eliminating duplicates, percent of loans about which the Defendants made**  
 27               **untrue or misleading statements: 44.9%**  
 28

**SCHEDULE 43 TO THE AMENDED COMPLAINT**

To the extent that this Schedule is incorporated by reference into allegations in the complaint, those allegations are made against Defendants Greenwich Capital and CWALT.

**Item 44. Details of trust and certificate(s).**

(a) **Dealer that sold the certificate(s) to the Bank:** Greenwich Capital.

(b) **Description of the trust:** Alternative Loan Trust, Mortgage Pass-Through Certificates, Series 2004-28CB was a securitization in November 2004 of 7,240 mortgage loans,<sup>2</sup> in seven groups. The mortgage loans in the collateral pool of this securitization were originated or acquired by Countrywide Home Loans, Inc. CWALT 2004-28CB Pros. Sup. S-4, S-14, and S-64.

(c) **Description of the certificate(s) that the Bank purchased:** Greenwich Capital offered and sold to the Bank a senior certificate in this securitization, in tranche 1-A-1, for which the Bank paid \$213,494,531 plus accrued interest, on January 31, 2005.

(d) **Ratings of the certificate(s) when the Bank purchased them:** Standard & Poor's— AAA; Moody's— Aaa.

(e) **Current ratings of the certificate(s):** Standard & Poor's— AAA; Moody's— A1.

(f) **URL of prospectus supplement for this securitization:**

<http://www.sec.gov/Archives/edgar/data/1269518/000095012904009424/v03470b5e424b5.txt>

**Item 52. Untrue or misleading statements about the LTVs of the mortgage loans:**

In the prospectus supplement, Greenwich Capital and CWALT made the following statements about the LTVs of the mortgage loans in the collateral pool of this securitization.

<sup>2</sup> CWALT 2004-28CB was a prefunded securitization. On the closing date of the securitization there were 7,240 mortgage loans in the trust. After the closing date of the securitization, the trust purchased an additional 103 mortgage loans.

1 (a) "No initial mortgage loan had a Loan-to-Value Ratio at origination of more than  
2 100%." CWALT 2004-28CB Pros. Sup. S-16.

3 (b) In the section of the prospectus supplement entitled "The Mortgage Pool,"  
4 Greenwich Capital and CWALT presented tables of statistics about the mortgage loans in  
5 collateral pool. CWALT 2004-28CB Pros. Sup. S-18 to S-61. Each table focused on a certain  
6 characteristic of the loans (for example, current principal balance) and divided the loans into  
7 categories based on that characteristic (for example, loans with current principal balances of  
8 \$0.01 to \$50,000, \$50,000.01 to \$100,000, \$100,000.01 to \$150,000, etc.). Each table then  
9 presented various data about the loans in each category. Among these data was the "Weighted-  
10 Average Original Loan-to-Value Ratio." There were 10 such tables in "The Mortgage Pool"  
11 section for the subset of loans in loan group 1. In each table, the number of categories into which  
12 the loans were divided ranged from three to 38. Thus, in "The Mortgage Pool" section,  
13 Greenwich Capital and CWALT made hundreds of statements about the original LTVs of the  
14 loans in loan group 1. CWALT 2004-28CB Pros. Sup. S-18 to S-24.

15 (c) "The weighted average original Loan-to-Value Ratio of the Initial Mortgage Loans  
16 in loan group 1 is approximately 76.91%." CWALT 2004-28CB Pros. Sup. S-21.

17 (d) In "The Mortgage Pool" section, Greenwich Capital and CWALT presented  
18 similar tables of statistics about the subset of mortgage loans in loan group 2. In these tables,  
19 Greenwich Capital and CWALT similarly made hundreds of statements about the original LTVs  
20 of the loans in loan group 2. CWALT 2004-28CB Pros. Sup. S-25 to S-30.

21 (e) "The weighted average original Loan-to-Value Ratio of the mortgage loans in loan  
22 group 3 is approximately 80.26%." CWALT 2004-28CB Pros. Sup. S-27.

23 (f) In "The Mortgage Pool" section, Greenwich Capital and CWALT presented  
24 similar tables of statistics about the subset of mortgage loans in the loan group 3. In these tables,  
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26  
27  
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1 Greenwich Capital and CWALT made hundreds of statements about the original LTVs of the  
2 loans in loan group 3. CWALT 2004-28CB Pros. Sup. S-31 to S-37.

3 (g) "The weighted average original Loan-to-Value Ratio of the mortgage loans in loan  
4 group 3 is approximately 80.26%." CWALT 2004-28CB Pros. Sup. S-34.

5 (h) In "The Mortgage Pool" section, Greenwich Capital and CWALT presented  
6 similar tables of statistics about the subset of mortgage loans in loan group 4. In these tables,  
7 Greenwich Capital and CWALT similarly made hundreds of statements about the original LTVs  
8 of the loans in loan group 4. CWALT 2004-28CB Pros. Sup. S-38 to S-43.

9 (i) "The weighted average original Loan-to-Value Ratio of the mortgage loans in loan  
10 group 4 is approximately 66.54%." CWALT 2004-28CB Pros. Sup. S-40.

11 (j) In "The Mortgage Pool" section, Greenwich Capital and CWALT presented  
12 similar tables of statistics about the subset of mortgage loans in loan group 5. In these tables,  
13 Greenwich Capital and CWALT similarly made hundreds of statements about the original LTVs  
14 of the loans in loan group 5. CWALT 2004-28CB Pros. Sup. S-44 to S-49.

15 (k) "The weighted average original Loan-to-Value Ratio of the mortgage loans in loan  
16 group 5 is approximately 76.25%." CWALT 2004-28CB Pros. Sup. S-46.

17 (l) In "the Mortgage Pool" section, Greenwich Capital and CWALT presented similar  
18 tables of statistics about the subset of mortgage loans in loan group 6. In these tables, Greenwich  
19 Capital and CWALT similarly made hundreds of statements about the original LTVs of the loans  
20 in loan group 6. CWALT 2004-28CB Pros. Sup. S-50 to S-55.

21 (m) "The weighted average original Loan-to-Value Ratio of the mortgage loans in loan  
22 group 6 is approximately 75.18%." CWALT 2004-28CB Pros. Sup. S-52.

23 (n) In "the Mortgage Pool" section, Greenwich Capital and CWALT presented similar  
24 tables of statistics about the subset of mortgage loans in loan group 7. In these tables, Greenwich  
25



Capital and CWALT similarly made hundreds of statements about the original LTVs of the loans in loan group 7. CWALT 2004-28CB Pros. Sup. S-56 to S-61.

(o) "The weighted average original Loan-to-Value Ratio of the mortgage loans in loan group 7 is approximately 70.43%." CWALT 2004-28CB Pros. Sup. S-58.

**Item 62. Details of the results of the AVM analysis:**

Number of loans	7,343
Number of properties on which there was enough information for the model to determine a true market value	2,861
Number of loans on which the stated value was 105% or more of the true market value as reported by the model	1,342
Aggregate amount by which the stated values of those properties exceeded their true market values as reported by the model	\$49,103,035
Number of loans on which the stated value was 95% or less of the true market value as reported by the model	624
Aggregate amount by which the true market values of those properties exceed their stated values	\$30,367,369
Number of loans with LTVs over 100%, as stated by Defendants	0
Number of loans with LTVs over 100%, as determined by the model	295
Weighted-average LTV, as stated by Defendants (group 1)	76.9%
Weighted-average LTV, as determined by the model (group 1)	80.1%

**Item 71. Undisclosed additional liens:**

- (a) Minimum number of properties with additional liens: 366
- (b) Total reduction in equity from additional liens: \$17,250,606
- (c) Weighted-average reduction in equity from additional liens: 77.2%

**Item 82. Untrue or misleading statements about compliance with USPAP:**

In the prospectus supplement, Greenwich Capital and CWALT made the following statement about the appraisals of the properties that secured the mortgage loans originated by Countrywide: "All appraisals are required to conform to Fannie Mae or Freddie Mac appraisal standards then in effect." CWALT 2004-28CB Pros. Sup. S-66.

1 **Item 88. Untrue or misleading statements about owner-occupancy of the properties**  
2 **that secured the mortgage loans:**

3 In the prospectus supplement, Greenwich Capital and CWALT made the following  
4 statements about the occupancy status of the properties that secured the mortgage loans in the  
5 collateral pool of this securitization.

6 (a) In "The Mortgage Pool" section of the prospectus supplement, described in Item  
7 52, Greenwich Capital and CWALT presented a table entitled "Occupancy Types." This table  
8 divided the subset of mortgage loans in loan group 1 into the categories "Primary Residence,"  
9 "Investment Property," and "Secondary Residence." The table made untrue and misleading  
10 statements about the number of mortgage loans, the aggregate principal balance outstanding, and  
11 the percent of aggregate principal balance outstanding in each of these categories. CWALT 2004-  
12 28CB Pros. Sup. S-23.

14 (b) In the "Occupancy Types" table, Greenwich Capital and CWALT stated that  
15 77.49% of the subset of mortgage loans in loan group 1 were secured by a "Primary Residence,"  
16 15.5% by an "Investment Property," and 7.01% by a "Secondary Residence." CWALT 2004-  
17 28CB Pros. Sup. S-23.

19 (c) In "The Mortgage Pool" section, Greenwich Capital and CWALT presented  
20 another table entitled "Occupancy Types." This table stated that 100% of the subset of mortgage  
21 loans in loan group 2 were secured by a "Primary Residence." CWALT 2004-28CB Pros. Sup. S-  
22 30.

23 (d) In "The Mortgage Pool" section, Greenwich Capital and CWALT presented  
24 another table entitled "Occupancy Types." This table divided the subset of mortgage loans in loan  
25 group 3 into the categories "Primary Residence" and "Secondary Residence." The table made  
26 untrue and misleading statements about the number of mortgage loans, the aggregate principal  
27  
28

1 balance outstanding, and the percent of aggregate principal balance outstanding in each of these  
2 categories. CWALT 2004-28CB Pros. Sup. S-37.

3 (e) In the "Occupancy Types" table, Greenwich Capital and CWALT stated that  
4 96.73% of the subset of mortgage loans in loan group 3 were secured by a "Primary Residence"  
5 and 3.27% by a "Secondary Residence." CWALT 2004-28CB Pros. Sup. S-37.  
6

7 (f) In "the Mortgage Pool" section, Greenwich Capital and CWALT presented  
8 another table entitled "Occupancy Types." This table stated that 100% of the subset of mortgage  
9 loans in loan group 4 into were secured by a "Primary Residence." CWALT 2004-28CB Pros.  
10 Sup. S-43.

11 (g) In "the Mortgage Pool" section, Greenwich Capital and CWALT presented  
12 another table entitled "Occupancy Types." This table divided the subset of mortgage loans in loan  
13 group 5 into the categories "Investment Property" and "Secondary Residence." The table made  
14 untrue and misleading statements about the number of mortgage loans, the aggregate principal  
15 balance outstanding, and the percent of aggregate principal balance outstanding in each of these  
16 categories. CWALT 2004-28CB Pros. Sup. S-49.  
17

18 (h) In the "Occupancy Types" table, Greenwich Capital and CWALT stated that  
19 82.24% of the subset of mortgage loans were secured by an "Investment Property" and 17.76%  
20 by a "Secondary Residence." CWALT 2004-28CB Pros. Sup. S-49.  
21

22 (i) In "the Mortgage Pool" section, Greenwich Capital and CWALT presented  
23 another table entitled "Occupancy Types." This table stated that 100% of the subset of mortgage  
24 loans in loan group 6 were secured by an "Investment Property." CWALT 2004-28CB Pros. Sup.  
25 S-55.

26 (j) In "the Mortgage Pool" section, Greenwich Capital and CWALT presented  
27 another table entitled "Occupancy Types." This table divided the subset of mortgage loans in loan  
28

group 7 into the categories "Investment Property" and "Secondary Residence." The table made untrue and misleading statements about the number of mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate principal balance outstanding in each of these categories. CWALT 2004-28CB Pros. Sup. S-61.

(k) In the "Occupancy Types" table, Greenwich Capital and CWALT stated that 72.35% of the subset of mortgage loans were secured by an "Investment Property" and 27.65% by a "Secondary Residence." CWALT 2004-28CB Pros. Sup. S-61.

**Item 96. Details of properties that were stated to be owner-occupied, but were not:**

- (a) Number of loans on which the owner of the property instructed tax authorities to send property tax bills to him or her at a different address: 412
- (b) Number of loans on which the owner of the property could have, but did not, designate the property as his or her homestead: 617
- (c) Number of loans on which the owner of the property owned three or more properties: 22
- (d) Number of loans that went straight from current to foreclosure or ownership by lender: 1
- (e) Eliminating duplicates, number of loans about which one or more of statements (a) through (d) is true: 916

**Item 99. Untrue or misleading statements about the underwriting standards of the originators of the mortgage loans:**

On pages S-64 through S-70 of the prospectus supplement, Greenwich Capital and CWALT made statements about the underwriting guidelines of Countrywide Home Loans, Inc. All of those statements are incorporated here by reference. In particular, Greenwich Capital and Greenwich Capital Acceptance stated that:

- (a) "Exceptions to Countrywide Home Loans' underwriting guidelines may be made if compensating factors are demonstrated by a prospective borrower." CWALT 2004-28CB Pros. Sup. S-65.



(b) "Countrywide Home Loans' underwriting standards are applied by or on behalf of Countrywide Home Loans to evaluate the prospective borrower's credit standing and repayment ability and the value and adequacy of the mortgaged property as collateral." CWALT 2004-28CB Pros. Sup. S-65.

**Item 106. Early payment defaults:**

- (a) Number of the mortgage loans that suffered EPDs: 27
- (b) Percent of the mortgage loans that suffered EPDs: 0.4%
- (c) Percent of all securitized, non-agency prime (including Alt-A) mortgage loans made at the same time as the loans in the collateral pool that experienced EPDs: 0.14%

**Item 107. 90+ days delinquencies:**

- (a) Number of the mortgage loans that suffered 90+ days delinquencies: 639
- (b) Percent of the mortgage loans that suffered 90+ days delinquencies: 8.7%
- (c) Percent of all securitized, non-agency prime (including Alt-A) mortgage loans made at the same time as the loans in the collateral pool that suffered 90+ days delinquencies: 7.2%

**Item 117. Statements about the ratings of the certificate(s) that the Bank purchased:**

On page S-3 of the prospectus supplement, Greenwich Capital and CWALT made statements about the ratings assigned to the certificates issued in this securitization. Greenwich Capital and CWALT stated that the Bank's certificate was rated Aaa by Moody's Investors Service, Inc. and AAA by Standard & Poor's Rating Services. These were the highest ratings available from these two rating agencies.

Greenwich Capital and CWALT also stated: "The classes of certificates listed below will not be offered unless they are assigned the following ratings by Standard & Poor's Ratings Services, . . . and by Moody's Investors Service, Inc. . . ." The requirement for class 1-A-1, from which this certificate was to be paid, was for AAA from Standard & Poor's and Aaa from Moody's. CWALT 2004-28CB Pros. Sup. S-3.

1           Greenwich Capital and CWALT also stated: "It is a condition to the issuance of the senior  
2 certificates that they be rated AAA by Standard & Poor's, a division of The McGraw-Hill  
3 Companies, Inc. ("S&P") and Aaa by Moody's Investors Service, Inc. ("Moody's")." CWALT  
4 2004-28CB Pros. Sup. S-125.  
5

6 **Item 120.     Summary of loans about which the Defendants made untrue or misleading**  
7 **statements:**

- 8           (a)    Number of loans whose LTVs were materially understated: 1,342  
9           (b)    Number of loans in which the owner's equity was reduced by 5% or more by  
10           undisclosed additional liens: 366  
11           (c)    Number of loans that suffered EPDs: 27  
12           (d)    Number of loans in which the properties were stated to be owner-occupied  
13           but were not: 916  
14           (e)    Eliminating duplicates, number of loans about which the Defendants made  
15           untrue or misleading statements: 2,281  
16           (f)    Eliminating duplicates, percent of loans about which the Defendants made  
17           untrue or misleading statements: 31.1%  
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**SCHEDULE 44 TO THE AMENDED COMPLAINT**

To the extent that this Schedule is incorporated by reference into allegations in the complaint, those allegations are made against Defendants Greenwich Capital, CWALT, and Countrywide Financial Corporation.

**Item 44. Details of trust and certificate(s).**

(a) **Dealer that sold the certificate(s) to the Bank:** Greenwich Capital.

(b) **Description of the trust:** Alternative Loan Trust, Mortgage Pass-Through Certificates, Series 2005-3CB was a securitization in January 2005 of 6,699 mortgage loans,<sup>3</sup> in two groups. The mortgage loans in the collateral pool of this securitization were originated or acquired by Countrywide Home Loans, Inc. CWALT 2005-3CB Pros. Sup. S-4, S-13, and S-36.

(c) **Description of the certificate(s) that the Bank purchased:** Greenwich Capital offered and sold to the Bank three senior certificates in this securitization, in tranche 1-A-1, tranche 1-A-10, and tranche 1-A-9, for which the Bank paid \$101,226,563, \$120,126,563, and \$43,718,125 plus accrued interest, on January 31, 2005, July 11, 2005, and July 25, 2005, respectively.

(d) **Ratings of the certificate(s) when the Bank purchased them:**

Certificate: 1-A-1; Standard & Poor's— AAA; Moody's— Aaa.

Certificate: 1-A-10; Standard & Poor's— AAA; Moody's— Aaa.

Certificate: 1-A-9; Standard & Poor's— AAA; Moody's— Aaa.

(e) **Current ratings of the certificate(s):**

Certificate: 1-A-1; Standard & Poor's— BBB-; Moody's— Caa1.

<sup>3</sup> CWALT 2005-3CB was a prefunded securitization. On the closing date of the securitization there were 6,699 mortgage loans in the trust. After the closing date of the securitization, the trust purchased an additional 1,439 mortgage loans.

1 Certificate: 1-A-10; Standard & Poor's— BBB-; Moody's— Caa1.

2 Certificate: 1-A-9; Standard & Poor's— BBB-; Moody's— Caa1.

3 **(f) URL of prospectus supplement for this securitization:**

4 <http://www.sec.gov/Archives/edgar/data/1269518/000095012905000648/v04624b5e424b5.txt>

5 **(g) Registration statement pursuant or traceable to which the certificate(s) were**  
 6 **issued:** Certificates in this trust, including the certificates that the Bank purchased, were issued  
 7 pursuant or traceable to a registration statement filed by CWALT, Inc. with the SEC on form S-3  
 8 on September 23, 2004. Annexed to the registration statement was a prospectus. The prospectus  
 9 was amended from time to time by prospectus supplements whenever a new series of certificates  
 10 was issued pursuant or traceable to that registration statement.

11 **Item 52. Untrue or misleading statements about the LTVs of the mortgage loans:**

12 In the prospectus supplement, Greenwich Capital and CWALT made the following  
 13 statements about the LTVs of the mortgage loans in the collateral pool of this securitization.

14 **(a) "No Initial Mortgage Loan had a Loan-to-Value Ratio at origination of more than**  
 15 **100.00%." CWALT 2005-3CB Pros. Sup. S-15.**

16 **(b) In the section of the prospectus supplement entitled "The Mortgage Pool,"**  
 17 Greenwich Capital and CWALT presented tables of statistics about the subset of mortgage loans  
 18 in loan group 1. Each table focused on a certain characteristic of the loans (for example, current  
 19 principal balance) and divided the loans into categories based on that characteristic (for example,  
 20 loans with current principal balances of \$0.01 to \$50,000, \$50,000.01 to \$100,000, \$100,000.01  
 21 to \$150,000, etc.). Each table then presented various data about the loans in each category.  
 22 Among these data was the "Weighted-Average Original Loan-to-Value Ratio." There were 10  
 23 such tables in "The Mortgage Pool" section of the prospectus supplement for loan group 1. In  
 24 each table, the number of categories into which the loans were divided ranged from three to 96.  
 25  
 26  
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Thus, in "The Mortgage Pool" section, Greenwich Capital and CWALT made hundreds of statements about the original LTVs of the loans in loan group 1. CWALT 2005-3CB Pros. Sup. S-17 to S-26.

(c) "As of the initial cut-off date, the weighted average original Loan-to-Value Ratio of the Initial Mortgage loans in loan group 1 is approximately 72.79%." CWALT 2005-3CB Pros. Sup. S-22.

(d) In "The Mortgage Pool" section, Greenwich Capital and CWALT presented similar tables of statistics about the subset of mortgage loans in loan group 2. In these tables, Greenwich Capital and CWALT similarly made hundreds of statements about the original LTVs of the loans in the loan group 2. CWALT 2005-3CB Pros. Sup. S-27 to S-32.

(e) "As of the initial cut-off date, the weighted average original Loan-to-Value Ratio of the Initial Mortgage Loans in loan group 2 is approximately 66.89%." CWALT 2005-3CB Pros. Sup. S-29.

**Item 62. Details of the results of the AVM analysis:**

Number of loans	8,138
Number of properties on which there was enough information for the model to determine a true market value	3,633
Number of loans on which the stated value was 105% or more of the true market value as reported by the model	1,687
Aggregate amount by which the stated values of those properties exceeded their true market values as reported by the model	\$73,400,495
Number of loans on which the stated value was 95% or less of the true market value as reported by the model	802
Aggregate amount by which the true market values of those properties exceed their stated values	\$42,294,119
Number of loans with LTVs over 100%, as stated by Defendants	0
Number of loans with LTVs over 100%, as determined by the model	266
Weighted-average LTV, as stated by Defendants (group 1)	72.8%
Weighted-average LTV, as determined by the model (group 1)	78.1%

**Item 71. Undisclosed additional liens:**

(a) Minimum number of properties with additional liens: 480

(b) Total reduction in equity from additional liens: \$23,234,412

(c) Weighted-average reduction in equity from additional liens: 67.6%

**Item 82. Untrue or misleading statements about compliance with USPAP:**

In the prospectus supplement, Greenwich Capital and CWALT made the following statement about the appraisals of the properties that secured the mortgage loans originated by Countrywide: "All appraisals are required to conform to Fannie Mae or Freddie Mac appraisal standards then in effect." CWALT 2005-3CB Pros. Sup. S-37.

**Item 88. Untrue or misleading statements about owner-occupancy of the properties that secured the mortgage loans:**

In the prospectus supplement, Greenwich Capital and CWALT made the following statements about the occupancy status of the properties that secured the mortgage loans in the collateral pool of this securitization.

(a) In "the Mortgage Pool" section of the prospectus supplement, Greenwich Capital presented a table entitled "Occupancy Types." This table divided the subset of mortgage loans in loan group 1 into the categories "Primary Residence," "Investment Property," and "Secondary Residence." The table made untrue and misleading statements about the number of mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate principal balance outstanding in each of these categories. CWALT 2005-3CB Pros. Sup. S-25.

(b) In the "Occupancy Types" table, Greenwich Capital and CWALT stated that 85.48% of the subset of mortgage loans in loan group 1 were secured by a "Primary Residence," 12.07% by an "Investment Property," and 2.44% by a "Secondary Residence." CWALT 2005-3CB Pros. Sup. S-25.

(c) In "The Mortgage Pool" section, Greenwich Capital presented another table entitled "Occupancy Types." This table divided the subset of mortgage loans in loan group 2 into the categories "Primary Residence," "Investment Property," and "Secondary Residence." The

1 table made untrue and misleading statements about the number of mortgage loans, the aggregate  
 2 principal balance outstanding, and the percent of aggregate principal balance outstanding in each  
 3 of these categories. CWALT 2005-3CB Pros. Sup. S-32.

4 (d) In the "Occupancy Types" table, Greenwich Capital and CWALT stated that  
 5 77.21% of the subset of mortgage loans in loan group 2 were secured by a "Primary Residence,"  
 6 19.21% by an "Investment Property," and 3.35% by a "Secondary Residence." CWALT 2005-  
 7 3CB Pros. Sup. S-32.

9 **Item 96. Details of properties that were stated to be owner-occupied, but were not:**

- 10 (a) Number of loans on which the owner of the property instructed tax  
 11 authorities to send property tax bills to him or her at a different address: 544  
 12 (b) Number of loans on which the owner of the property could have, but did not,  
 13 designate the property as his or her homestead: 753  
 14 (c) Number of loans on which the owner of the property owned three or more  
 15 properties: 44  
 16 (d) Eliminating duplicates, number of loans about which one or more of  
 17 statements (a) through (c) is true: 1,164

18 **Item 99. Untrue or misleading statements about the underwriting standards of the**  
 19 **originators of the mortgage loans:**

20 On pages S-36 through S-41 of the prospectus supplement, Greenwich Capital and  
 21 CWALT made statements about the underwriting guidelines of Countrywide Home Loans, Inc.  
 22 All of those statements are incorporated here by reference. In particular, Greenwich Capital and  
 23 CWALT stated that:

24 (a) "Exceptions to Countrywide Home Loans' underwriting guidelines may be made  
 25 if compensating factors are demonstrated by a prospective borrower." CWALT 2005-3CB Pros.  
 26 Sup. S-37.

27 (b) "Countrywide Home Loans' underwriting standards are applied by or on behalf of  
 28 Countrywide Home Loans to evaluate the prospective borrower's credit standing and repayment

ability and the value and adequacy of the mortgaged property as collateral." CWALT 2005-3CB Pros. Sup. S-37.

**Item 106. Early payment defaults:**

- (a) Number of the mortgage loans that suffered EPDs: 14
- (b) Percent of the mortgage loans that suffered EPDs: 0.2%
- (c) Percent of all securitized, non-agency prime (including Alt-A) mortgage loans made at the same time as the loans in the collateral pool that experienced EPDs: 0.18%

**Item 117. Statements about the ratings of the certificate(s) that the Bank purchased:**

On page S-3 of the prospectus supplement, Greenwich Capital and CWALT made statements about the ratings assigned to the certificates issued in this securitization. Greenwich Capital and CWALT stated that the Bank's certificate was rated Aaa by Moody's Investors Service, Inc. and AAA by Standard & Poor's Rating Services. These were the highest ratings available from these two rating agencies.

Greenwich Capital and CWALT also stated: "The following chart lists certain characteristics of the classes of the offered certificates. The classes of certificates listed below will not be offered unless they are assigned the following ratings by Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and by Moody's Investors Service Inc. ("Moody's")." The requirement for classes 1-A-1, 1-A-10, 1-A-9, from which these certificates were to be paid, was AAA for Standard & Poor's and Aaa for Moody's. CWALT 2005-3CB Pros. Sup. S-3.

Greenwich Capital and CWALT also stated: "It is a condition to the issuance of the senior certificates that they be rated AAA by Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and Aaa by Moody's Investors Service, Inc. ("Moody's")." CWALT 2005-3CB Pros. Sup. S-82.



1 **Item 120. Summary of loans about which the Defendants made untrue or misleading**  
2 **statements:**

- 3 (a) **Number of loans whose LTVs were materially understated: 1,687**  
4 (b) **Number of loans in which the owner's equity was reduced by 5% or more by**  
5 **undisclosed additional liens: 480**  
6 (c) **Number of loans that suffered EPDs: 14**  
7 (d) **Number of loans in which the properties were stated to be owner-occupied**  
8 **but were not: 1,164**  
9 (e) **Eliminating duplicates, number of loans about which the Defendants made**  
10 **untrue or misleading statements: 2,868**  
11 (f) **Eliminating duplicates, percent of loans about which the Defendants made**  
12 **untrue or misleading statements: 35.2%**  
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**SCHEDULE 45 TO THE AMENDED COMPLAINT**

To the extent that this Schedule is incorporated by reference into allegations in the complaint, those allegations are made against Defendants Morgan Stanley, CWALT, and Countrywide Financial Corporation.

**Item 44. Details of trust and certificate(s).**

(a) **Dealer that sold the certificate(s) to the Bank:** Morgan Stanley.

(b) **Description of the trust:** Alternative Loan Trust, Mortgage Pass-Through Certificates, Series 2007-17CB was a securitization in June 2007 of 3,090 mortgage loans, in two groups. The mortgage loans in the collateral pool of this securitization were originated or acquired by Countrywide Home Loans, Inc. CWALT 2007-17CB Pros. Sup. S-4, S-31, and S-36.

(c) **Description of the certificate(s) that the Bank purchased:** Morgan Stanley offered and sold to the Bank a senior certificate in this securitization, in tranche 2-A-1, for which the Bank paid \$156,681,250 plus accrued interest on June 29, 2007.

(d) **Ratings of the certificate(s) when the Bank purchased them:** Standard & Poor's— AAA; Fitch— AAA.

(e) **Current ratings of the certificate(s):** Standard & Poor's— CCC; Fitch— CCC.

(f) **URL of prospectus supplement for this securitization:**

<http://www.sec.gov/Archives/edgar/data/1269518/000136231007001225/c70721e424b5.htm>

(g) **Registration statement pursuant or traceable to which the certificate(s) were issued:** Certificates in this trust, including the certificate that the Bank purchased, were issued pursuant or traceable to a registration statement filed by CWALT, Inc. with the SEC on form S-3 on April 24, 2007. Annexed to the registration statement was a prospectus. The prospectus was amended from time to time by prospectus supplements whenever a new series of certificates was issued pursuant or traceable to that registration statement.

1 **Item 52. Untrue or misleading statements about the LTVs of the mortgage loans:**

2 In the prospectus supplement, Morgan Stanley and CWALT made the following  
3 statements about the LTVs of the mortgage loans in the collateral pool of this securitization.

4 (a) The weighted-average original LTV of the subset of mortgage loans in loan group  
5 1 was 69.14%. CWALT 2007-17CB Pros. Sup. S-5.

6 (b) The weighted-average original LTV of the subset of mortgage loans in loan group  
7 2 was 72.44%. CWALT 2007-17CB Pros. Sup. S-5.

8 (c) "No mortgage loan in any loan group had a Loan-to-Value Ratio at origination of  
9 more than 100.00%." CWALT 2007-17CB Pros. Sup. S-33.

10 (d) In Annex A of the prospectus supplement ("The Mortgage Pool"), Morgan Stanley  
11 and CWALT presented tables of statistics about the mortgage loans in the collateral pool.  
12 CWALT 2007-17CB Pros. Sup. A-1 to A-19. Each table focused on a certain characteristic of the  
13 loans (for example, current principal balance) and divided the loans into categories based on that  
14 characteristic (for example, loans with current principal balances of \$0.01 to \$50,000, \$50,000.01  
15 to \$100,000, \$100,000.01 to \$150,000, etc.). Each table then presented various data about the  
16 loans in each category. Among these data was the "Weighted Average Original Loan-to-Value  
17 Ratio." There were 13 such tables in Annex A for the subset of mortgage loans in loan group 1. In  
18 each table, the number of categories into which the loans were divided ranged from three to 35.  
19 Thus, in Annex A, Morgan Stanley and CWALT made hundreds of statements about the original  
20 LTVs of the loans in loan group 1. CWALT 2007-17CB Pros. Sup. A-1 to A-10.

21 (e) "As of the cut-off date, the weighted average original Loan-to-Value Ratio of the  
22 mortgage loans in loan group 1 was approximately 69.14%." CWALT 2007-17CB Pros. Sup. A-  
23 5.

(f) In Annex A, Morgan Stanley and CWALT presented similar tables of statistics about the subset of mortgage loans in loan group 2. In these tables, Morgan Stanley and CWALT similarly made hundreds of statements about the original LTVs of the loans in loan group 2. CWALT 2007-17CB Pros. Sup. A-11 to A-19.

(g) "As of the cut-off date, the weighted average original Loan-to-Value Ratio of the mortgage loans in loan group 2 was approximately 72.44%." CWALT 2007-17CB Pros. Sup. A-14.

**Item 62. Details of the results of the AVM analysis:**

Number of loans	3,090
Number of properties on which there was enough information for the model to determine a true market value	1,863
Number of loans on which the stated value was 105% or more of the true market value as reported by the model	1,235
Aggregate amount by which the stated values of those properties exceeded their true market values as reported by the model	\$82,232,424
Number of loans on which the stated value was 95% or less of the true market value as reported by the model	187
Aggregate amount by which the true market values of those properties exceed their stated values	\$11,102,680
Number of loans with LTVs over 100%, as stated by Defendants	0
Number of loans with LTVs over 100%, as determined by the model	213
Weighted-average LTV, as stated by Defendants (group 2)	72.4%
Weighted-average LTV, as determined by the model (group 2)	83.3%

**Item 65. Evidence from subsequent sales of refinanced properties:**

Of the 3,090 mortgage loans in the collateral pool, 1,823 were taken out to refinance, rather than to purchase, properties. For those 1,823 loans, the value (denominator) in the LTV was an appraised value rather than a sale price. Of those 1,823 properties, 68 were subsequently sold for a total of approximately \$21,736,303. The total value ascribed to those same properties in the LTV data reported in the prospectus supplements and other documents sent to the Bank was \$30,011,084. Thus, those properties were sold for 72.4% of the value ascribed to them, a



1 difference of 27.6%. This difference cannot be accounted for by declines in house prices in the  
 2 areas in which those properties were located.

3 **Item 82. Untrue or misleading statements about compliance with USPAP:**

4 In the prospectus supplement, Morgan Stanley and CWALT made the following statement  
 5 about the appraisals of the properties that secured the mortgage loans originated by Countrywide:  
 6 "All appraisals are required to conform to Fannie Mae or Freddie Mac appraisal standards then in  
 7 effect." CWALT 2007-17CB Pros. Sup. S-39.

8  
 9 **Item 88. Untrue or misleading statements about owner-occupancy of the properties  
 10 that secured the mortgage loans:**

11 In the prospectus supplement, Morgan Stanley and CWALT made the following  
 12 statements about the occupancy status of the properties that secured the mortgage loans in the  
 13 collateral pool of this securitization.

14 (a) In Annex A of the prospectus supplement, described in Item 52, Morgan Stanley  
 15 and CWALT presented a table entitled "Occupancy Types." This table divided the subset of  
 16 mortgage loans in loan group 1 into the categories "Primary Residence," "Investment Property,"  
 17 and "Secondary Residence." The table made untrue and misleading statements about the number  
 18 of mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate  
 19 principal balance outstanding in each of these categories. CWALT 2007-17CB Pros. Sup. A-8.

20  
 21 (b) In the "Occupancy Types" table, Morgan Stanley and CWALT stated that 92.46%  
 22 of the subset of mortgage loans in loan group 1 were secured by a "Primary Residence," 4.41%  
 23 by an "Investment Property," and 3.13% by a "Second Residence." CWALT 2007-17CB Pros.  
 24 Sup. A-8.

25  
 26 (c) In Annex A, Morgan Stanley and CWALT presented another table entitled  
 27 "Occupancy Types." This table divided the subset of mortgage loans in loan group 1 into the  
 28 categories "Primary Residence," "Investment Property," and "Secondary Residence." The table

1 made untrue and misleading statements about the number of mortgage loans, the aggregate  
 2 principal balance outstanding, and the percent of aggregate principal balance outstanding in each  
 3 of these categories. CWALT 2007-17CB Pros. Sup. A-17.

4 (d) In the "Occupancy Types" table, Morgan Stanley and CWALT stated that 89.31%  
 5 of the subset of mortgage loans in loan group 1 were secured by a "Primary Residence," 6.69%  
 6 by an "Investment Property," and 4% by a "Secondary Residence." CWALT 2007-17CB Pros.  
 7 Sup. A-17.

8  
 9 **Item 96. Details of properties that were stated to be owner-occupied, but were not:**

- 10 (a) Number of loans on which the owner of the property instructed tax  
 11 authorities to send property tax bills to him or her at a different address: 223  
 12 (b) Number of loans on which the owner of the property could have, but did not,  
 13 designate the property as his or her homestead: 379  
 14 (c) Number of loans on which the owner of the property owned three or more  
 15 properties: 33  
 16 (d) Number of loans that went straight from current to foreclosure or ownership  
 17 by lender: 1  
 18 (e) Eliminating duplicates, number of loans about which one or more of  
 19 statements (a) through (d) is true: 577

20 **Item 99. Untrue or misleading statements about the underwriting standards of the**  
 21 **originators of the mortgage loans:**

22 On pages S-36 through S-42 of the prospectus supplement, Morgan Stanley and CWALT  
 23 made statements about the underwriting guidelines of Countrywide Home Loans, Inc. All of those  
 24 statements are incorporated here by reference. In particular, Morgan Stanley and CWALT stated  
 25 that:

26 (a) "Exceptions to Countrywide Home Loans' underwriting guidelines may be made  
 27 if compensating factors are demonstrated by a prospective borrower." CWALT 2007-17CB Pros.  
 28 Sup. S-38.

(b) "Countrywide Home Loans' underwriting standards are applied by or on behalf of Countrywide Home Loans to evaluate the prospective borrower's credit standing and repayment ability and the value and adequacy of the mortgaged property as collateral." CWALT 2007-17CB Pros. Sup. S-38.

**Item 108. 30+ days delinquencies in this securitization:**

- (a) Number of the mortgage loans that were 30+ days delinquent on March 31, 2010: 499
- (b) Percent of the mortgage loans that were 30+ days delinquent on March 31, 2010: 16.1%
- (c) Percent of all mortgage loans in the United States that were 30+ days delinquent on March 31, 2010: 14.7%

**Item 117. Statements about the ratings of the certificate(s) that the Bank purchased:**

On pages S-6 to S-7 of the prospectus supplement, Morgan Stanley and CWALT made statements about the ratings assigned to the certificates issued in this securitization. Morgan Stanley and CWALT stated that the Bank's certificate was rated Aaa by Moody's Investors Service, Inc. and AAA by Standard & Poor's Rating Services. These were the highest ratings available from these two rating agencies.

Morgan Stanley and CWALT also stated: "The offered certificates will not be offered unless they are assigned the indicated ratings by Standard & Poor's, a division of The McGraw Hill Companies, Inc. ("S&P"), Fitch Ratings ("Fitch") and Moody's Investors Service, Inc. ("Moody's"). "N/R" indicates that the agency was not asked to rate the certificates." The requirement for class 2-A-1, from which this certificate was to be paid, was for AAA from Standard & Poor's and Aaa from Moody's. CWALT 2007-17CB Pros. Sup. S-7 to S-8.

Morgan Stanley and CWALT also stated: "It is a condition to the issuance of the offered certificates that they be assigned the respective ratings set forth in the Summary of this prospectus supplement." CWALT 2007-17CB Pros. Sup. S-110.

- 1 **Item 120. Summary of loans about which the Defendants made untrue or misleading**  
2 **statements:**
- 3 (a) **Number of loans whose LTVs were materially understated: 1,235**  
4 (b) **Number of loans in which the properties were stated to be owner-occupied**  
5 **but were not: 577**
- 6 (c) **Eliminating duplicates, number of loans about which the Defendants made**  
7 **untrue or misleading statements: 1,508**
- 8 (e) **Eliminating duplicates, percent of loans about which the Defendants made**  
9 **untrue or misleading statements: 48.8%**
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**SCHEDULE 46 TO THE AMENDED COMPLAINT**

To the extent that this Schedule is incorporated by reference into allegations in the complaint, those allegations are made against Defendants Morgan Stanley, CWALT, and Countrywide Financial Corporation.

**Item 44. Details of trust and certificate(s).**

(a) Dealer that sold the certificate(s) to the Bank: Morgan Stanley.

(b) Description of the trust: Alternative Loan Trust, Mortgage Pass-Through Certificates, Series 2005-86CB was a securitization in December 2005 of 4,133 mortgage loans,<sup>4</sup> in one group. The mortgage loans in the collateral pool of this securitization were originated or acquired by Countrywide Home Loans, Inc. CWALT 2005-86CB Pros. Sup. S-4, S-14, and S-26.

(c) Description of the certificate(s) that the Bank purchased: Morgan Stanley offered and sold to San Francisco Bank two senior certificates in this securitization, in tranche A-6 and tranche A-8, for which San Francisco Bank paid \$99,062,500 and \$282,161,133 plus accrued interest, respectively, on December 30, 2005.

(d) Ratings of the certificate(s) when the Bank purchased them:

Certificate: A-6; Standard & Poor's—AAA; Moody's—Aaa.

Certificate: A-8; Standard & Poor's—AAA; Moody's—Aaa.

(e) Current ratings of the certificate(s):

Certificate: A-6; Standard & Poor's—AA-; Moody's—Caa1.

Certificate: A-8; Standard & Poor's—AA-; Moody's—Caa1.

(f) URL of prospectus supplement for this securitization:

<http://www.sec.gov/Archives/edgar/data/1269518/000095012905012355/v15567e424b5.txt>

<sup>4</sup> CWALT 2005-86CB was a prefunded securitization. On the closing date of the securitization there were 4,133 mortgage loans in the trust. After the closing date of the securitization, the trust purchased an additional 700 mortgage loans.

(g) Registration statement pursuant or traceable to which the certificate(s) were issued: Certificates in this trust, including the certificates that the Bank purchased, were issued pursuant or traceable to a registration statement filed by CWALT, Inc. with the SEC on form S-3 on July 25, 2005. Annexed to the registration statement was a prospectus. The prospectus was amended from time to time by prospectus supplements whenever a new series of certificates was issued pursuant or traceable to that registration statement.

**Item 52. Untrue or misleading statements about the LTVs of the mortgage loans:**

In the prospectus supplement, Morgan Stanley and CWALT made the following statements about the LTVs of the mortgage loans in the collateral pool of this securitization.

(a) "No Initial Mortgage Loan had a Loan-to-Value Ratio at origination of more than 98.00%." CWALT 2005-86CB Pros. Sup. S-15.

(b) In the section of the prospectus supplement entitled "The Mortgage Pool," Morgan Stanley and CWALT presented tables of statistics about the mortgage loans in the collateral pool. Each table focused on a certain characteristic of the loans (for example, current principal balance) and divided the loans into categories based on that characteristic (for example, loans with current principal balance of \$0.01 to \$50,000, \$50,000.01 to \$100,000, \$100,000.01 to \$150,000, etc.). Each table then presented various data about the loans in each category. Among these data was the "Weighted Average Original Loan-to-Value Ratio." There were 10 such tables in "The Mortgage Pool" section for all of the loans in the collateral pool. In each table, the number of categories into which the loans were divided ranged from three to 29. Thus, in "The Mortgage Pool" section, Morgan Stanley and CWALT made hundreds of statements about the original LTVs of the loans in the collateral pool. CWALT 2005-86CB Pros. Sup. S-17 to S-23.

(c) "As of the initial cut-off date, the weighted-average original Loan-to-Value Ratio of the Initial Mortgage Loans was approximately 69.82%." CWALT 2005-86CB Pros. Sup. S-20.

**Item 62. Details of the results of the AVM analysis:**

Number of loans	4,833
Number of properties on which there was enough information for the model to determine a true market value	2,781
Number of loans on which the stated value was 105% or more of the true market value as reported by the model	1,523
Aggregate amount by which the stated values of those properties exceeded their true market values as reported by the model	\$76,470,725
Number of loans on which the stated value was 95% or less of the true market value as reported by the model	423
Aggregate amount by which the true market values of those properties exceed their stated values	\$21,568,555
Number of loans with LTVs over 100%, as stated by Defendants	0
Number of loans with LTVs over 100%, as determined by the model	154
Weighted-average LTV, as stated by Defendants	69.8%
Weighted-average LTV, as determined by the model	76.9%

**Item 65. Evidence from subsequent sales of refinanced properties:**

Of the 4,833 mortgage loans in the collateral pool, 2,009 were taken out to refinance, rather than to purchase, properties. For those 2,009 loans, the value (denominator) in the LTV was an appraised value rather than a sale price. Of those 2,009 properties, 220 were subsequently sold for a total of approximately \$63,069,728. The total value ascribed to those same properties in the LTV data reported in the prospectus supplements and other documents sent to the Bank was \$77,130,850. Thus, those properties were sold for 81.8% of the value ascribed to them, a difference of 18.2%. This difference cannot be accounted for by declines in house prices in the areas in which those properties were located.

**Item 71. Undisclosed additional liens:**

- (a) Minimum number of properties with additional liens: 389
- (b) Total reduction in equity from additional liens: \$22,022,925
- (c) Weighted-average reduction in equity from additional liens: 74.4%

**Item 82. Untrue or misleading statements about compliance with USPAP:**

In the prospectus supplement, Morgan Stanley and CWALT made the following statement about the appraisals of the properties that secured the mortgage loans originated by Countrywide: "All appraisals are required to conform to Fannie Mae or Freddie Mac appraisal standards then in effect." CWALT 2005-86CB Pros. Sup. S-28.

**Item 88. Untrue or misleading statements about owner-occupancy of the properties that secured the mortgage loans:**

In the prospectus supplement, Morgan Stanley and CWALT made the following statements about the occupancy status of the properties that secured the mortgage loans in the collateral pool of this securitization.

(a) In "The Mortgage Pool" section of the prospectus supplement, described in Item 52, Morgan Stanley and CWALT presented a table entitled "Occupancy Types." This table divided all of the loans in the collateral pool into the categories "Primary Residence," "Investment Property," and "Secondary Residence." The table made untrue and misleading statements about the number of mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate principal balance outstanding in each of these categories. CWALT 2005-86CB Pros. Sup. S-22.

(b) In the "Occupancy Types" table, Morgan Stanley and CWALT stated that 88.06% of the mortgage loans in the collateral pool were secured by a "Primary Residence," 5.65% by an "Investment Property," and 6.29% by a "Secondary Residence." CWALT 2005-86CB Pros. Sup. S-22.

**Item 96. Details of properties that were stated to be owner-occupied, but were not:**

- (a) Number of loans on which the owner of the property instructed tax authorities to send property tax bills to him or her at a different address: 394
- (b) Number of loans on which the owner of the property could have, but did not, designate the property as his or her homestead: 482



1 (c) Number of loans on which the owner of the property owned three or more  
2 properties: 28

3 (d) Eliminating duplicates, number of loans about which one or more of  
4 statements (a) through (c) is true: 789

5 **Item 99. Untrue or misleading statements about the underwriting standards of the  
6 originators of the mortgage loans:**

7 On pages S-26 through S-31 of the prospectus supplement, Morgan Stanley and CWALT  
8 made statements about the underwriting guidelines of Countrywide Home Loans, Inc. All of those  
9 statements are incorporated here by reference. In particular, Morgan Stanley and CWALT stated  
10 that:

11 (a) "Exceptions to Countrywide Home Loans' underwriting guidelines may be made  
12 if compensating factors are demonstrated by a prospective borrower." CWALT 2005-86CB Pros.  
13 Sup. S-27.

14 (b) "Countrywide Home Loans' underwriting standards are applied by or on behalf of  
15 Countrywide Home Loans to evaluate the prospective borrower's credit standing and repayment  
16 ability and the value and adequacy of the mortgaged property as collateral." CWALT 2005-86CB  
17 Pros. Sup. S-27.

18 **Item 107. 90+ days delinquencies:**

19 (a) Number of the mortgage loans that suffered 90+ days delinquencies: 824

20 (b) Percent of the mortgage loans that suffered 90+ days delinquencies: 17.0%

21 (c) Percent of all securitized, non-agency prime (including Alt-A) mortgage loans  
22 made at the same time as the loans in the collateral pool that suffered 90+  
23 days delinquencies: 16.5%

24 **Item 108. 30+ days delinquencies in this securitization:**

25 (a) Number of the mortgage loans that were 30+ days delinquent on March 31,  
26 2010: 887

27 (b) Percent of the mortgage loans that were 30+ days delinquent on March 31,  
28 2010: 18.4%

- 1 (c) Percent of all mortgage loans in the United States that were 30+ days  
2 delinquent on March 31, 2010: 14.7%

3 **Item 117. Statements about the ratings of the certificate(s) that the Bank purchased:**

4 On page S-3 of the prospectus supplement, Morgan Stanley and CWALT made statements  
5 about the ratings assigned to the certificates issued in this securitization. Morgan Stanley and  
6 CWALT stated that the Bank's certificate was rated Aaa by Moody's Investors Service, Inc. and  
7 AAA by Standard & Poor's Rating Services. These were the highest ratings available from these  
8 two rating agencies.

9 Morgan Stanley and CWALT also stated: "The classes of certificates listed below will not  
10 be offered unless they are assigned the following ratings by Standard and Poor's Ratings  
11 Services, a division of The McGraw-Hill Companies, Inc. ("S&P") and by Moody's Investors  
12 Service, Inc. ("Moody's")." The requirement for classes A-6 and A-8, from which these  
13 certificates were to be paid, was AAA from Standard & Poor's and Aaa from Moody's. CWALT  
14 2005-86CB Pros. Sup. S-3.

15 Morgan Stanley and CWALT also stated: "It is a condition to the issuance of the senior  
16 certificates that they be rated "AAA" by Standard & Poor's, a division of The McGraw-Hill  
17 Companies, Inc. ("S&P"). It is a condition to the issuance of the senior certificates (other than the  
18 Class A-3 Certificates) that they be rated "Aaa" by Moody's Investors Service, Inc.  
19 ("Moody's")." CWALT 2005-86CB Pros. Sup. S-70.

20 **Item 120. Summary of loans about which the Defendants made untrue or misleading**  
21 **statements:**

- 22 (a) Number of loans whose LTVs were materially understated: 1,523  
23  
24 (b) Number of loans in which the owner's equity was reduced by 5% or more by  
25 undisclosed additional liens: 389  
26  
27 (c) Number of loans in which the properties were stated to be owner-occupied  
28 but were not: 789

- 1 (d) Eliminating duplicates, number of loans about which the Defendants made
- 2 untrue or misleading statements: 2,241
- 3 (e) Eliminating duplicates, percent of loans about which the Defendants made
- 4 untrue or misleading statements: 46.4%
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**SCHEDULE 47 TO THE AMENDED COMPLAINT**

To the extent that this Schedule is incorporated by reference into allegations in the complaint, those allegations are made against Defendants Morgan Stanley, CWALT, and Countrywide Financial Corporation.

**Item 44. Details of trust and certificate(s).**

(a) **Dealer that sold the certificate(s) to the Bank:** Morgan Stanley.

(b) **Description of the trust:** Alternative Loan Trust, Mortgage Pass-Through Certificates, Series 2005-47CB was a securitization in August 2005 of 1,847 mortgage loans, in one group.<sup>5</sup> The mortgage loans in the collateral pool of this securitization were originated or acquired by Countrywide Home Loans, Inc. CWALT 2005-47CB Pros. Sup. S-3, S-14, and S-26.

(c) **Description of the certificate(s) that the Bank purchased:** Morgan Stanley offered and sold to the Bank two senior certificates in this securitization, in tranche A-10 and tranche A-8, for which the Bank paid \$99,937,500 and \$66,558,877 plus accrued interest, on August 31, 2005 and September 30, 2005, respectively.

(d) **Ratings of the certificate(s) when the Bank purchased them:**

Certificate: A-10; Standard & Poor's— AAA; Moody's— Aaa.

Certificate: A-8; Standard & Poor's— AAA; Moody's— Aaa.

(e) **Current ratings of the certificate(s):**

Certificate: A-10; Standard & Poor's— AAA; Moody's— Caa1.

Certificate: A-8; Standard & Poor's— AAA; Moody's— Caa1.

<sup>5</sup> CWALT 2005-47CB was a prefunded securitization. On the closing date of the securitization there were 1,847 mortgage loans in the trust. After the closing date of the securitization, the trust purchased an additional 94 mortgage loans.



1           (f)     **URL of prospectus supplement for this securitization:**

2     <http://www.sec.gov/Archives/edgar/data/1269518/000095012905008836/v11893e424b5.txt>

3           (g)     **Registration statement pursuant or traceable to which the certificate(s) were**  
 4     **issued:** Certificates in this trust, including the certificates that the Bank purchased, were issued  
 5     pursuant or traceable to a registration statement filed by CWALT, Inc. with the SEC on form S-3  
 6     on July 25, 2005. Annexed to the registration statement was a prospectus. The prospectus was  
 7     amended from time to time by prospectus supplements whenever a new series of certificates was  
 8     issued pursuant or traceable to that registration statement.  
 9

10    **Item 52.     Untrue or misleading statements about the LTVs of the mortgage loans:**

11           In the prospectus supplement, Morgan Stanley and CWALT made the following  
 12     statements about the LTVs of the mortgage loans in the collateral pool of this securitization.  
 13

14           (a)     “No Initial Mortgage Loan had a Loan-to-Value Ratio at origination of more than  
 15     95.00%.” CWALT 2005-47CB Pros. Sup. S-15.

16           (b)     In the section of the prospectus supplement entitled “The Mortgage Pool,” Morgan  
 17     Stanley and CWALT presented tables of statistics about the mortgage loans in the collateral pool.  
 18     Each table focused on a certain characteristic of the loans (for example, current principal balance)  
 19     and divided the loans into categories based on that characteristic (for example, loans with current  
 20     principal balances of \$0.01 to \$50,000, \$50,000.01 to \$100,000, \$100,000.01 to \$150,000, etc.).  
 21     Each table then presented various data about the loans in each category. Among these data was  
 22     the “Weighted Average Original Loan-to-Value Ratio.” There were 10 such tables in “The  
 23     Mortgage Pool” section for all of the loans in the collateral pool. In each table, the number of  
 24     categories into which the loans were divided ranged from three to 25. Thus, in “The Mortgage  
 25     Pool” section, Morgan Stanley and CWALT made hundreds of statements about the original  
 26     LTVs of the loans in the collateral pool. CWALT 2005-47CB Pros. Sup. S-17 to S-23.  
 27  
 28

(c) "As of the initial cut-off date, the weighted average original Loan-to-Value Ratio of the Initial Mortgage Loans is approximately 73.92%." CWALT 2005-47CB Pros. Sup. S-20.

**Item 62. Details of the results of the AVM analysis:**

Number of loans	1,941
Number of properties on which there was enough information for the model to determine a true market value	1,170
Number of loans on which the stated value was 105% or more of the true market value as reported by the model	596
Aggregate amount by which the stated values of those properties exceeded their true market values as reported by the model	\$27,502,411
Number of loans on which the stated value was 95% or less of the true market value as reported by the model	199
Aggregate amount by which the true market values of those properties exceed their stated values	\$10,761,917
Number of loans with LTVs over 100%, as stated by Defendants	0
Number of loans with LTVs over 100%, as determined by the model	87
Weighted-average LTV, as stated by Defendants	73.9%
Weighted-average LTV, as determined by the model	80.6%

**Item 71. Undisclosed additional liens:**

- (a) Minimum number of properties with additional liens: 240
- (b) Total reduction in equity from additional liens: \$11,049,365
- (c) Weighted-average reduction in equity from additional liens: 62.8%

**Item 82. Untrue or misleading statements about compliance with USPAP:**

In the prospectus supplement, Morgan Stanley and CWALT made the following statement about the appraisals of the properties that secured the mortgage loans originated by Countrywide: "All appraisals are required to conform to Fannie Mae or Freddie Mac appraisal standards then in effect." CWALT 2005-47CB Pros. Sup. S-28.

**Item 88. Untrue or misleading statements about owner-occupancy of the properties that secured the mortgage loans:**

In the prospectus supplement, Morgan Stanley and CWALT made the following statements about the occupancy status of the properties that secured the mortgage loans in the collateral pool of this securitization.

(a) In "The Mortgage Pool" section of the prospectus supplement, Morgan Stanley and CWALT presented a table entitled "Occupancy Types." This table divided all of the mortgage loans in the collateral pool into the categories "Primary Residence," "Investment Property," and "Secondary Residence." The table made untrue and misleading statements about the number of mortgage loans, the aggregate principal balance outstanding, and the percent of aggregate principal balance outstanding in each of these categories. CWALT 2005-47CB Pros. Sup. S-22.

(b) In the "Occupancy Types" table, Morgan Stanley and CWALT stated that 93.67% of the mortgage loans in the collateral pool were secured by a "Primary Residence," 2.75% by an "Investment Property," and 3.59% by a "Secondary Residence." CWALT 2005-47CB Pros. Sup. S-22.

**Item 96. Details of properties that were stated to be owner-occupied, but were not:**

- (a) Number of loans on which the owner of the property instructed tax authorities to send property tax bills to him or her at a different address: 151
- (b) Number of loans on which the owner of the property could have, but did not, designate the property as his or her homestead: 192
- (c) Number of loans on which the owner of the property owned three or more properties: 11
- (d) Eliminating duplicates, number of loans about which one or more of statements (a) through (c) is true: 301

**Item 99. Untrue or misleading statements about the underwriting standards of the originators of the mortgage loans:**

On pages S-26 through S-31 of the prospectus supplement, Morgan Stanley and CWALT made statements about the underwriting guidelines of Countrywide Home Loans, Inc. All of those statements are incorporated here by reference. In particular, Morgan Stanley and CWALT stated that:

(a) "Exceptions to Countrywide Home Loans' underwriting guidelines may be made if compensating factors are demonstrated by a prospective borrower." CWALT 2005-47CB Pros. Sup. S-27.

(b) "Countrywide Home Loans' underwriting standards are applied by or on behalf of Countrywide Home Loans to evaluate the prospective borrower's credit standing and repayment ability and the value and adequacy of the mortgaged property as collateral." CWALT 2005-47CB Pros. Sup. S-27.

**Item 107. 90+ days delinquencies:**

- (a) Number of the mortgage loans that suffered 90+ days delinquencies: 299
- (b) Percent of the mortgage loans that suffered 90+ days delinquencies: 15.4%
- (c) Percent of all securitized, non-agency prime (including Alt-A) mortgage loans made at the same time as the loans in the collateral pool that suffered 90+ days delinquencies: 16.5%

**Item 108. 30+ days delinquencies in this securitization:**

- (a) Number of the mortgage loans that were 30+ days delinquent on March 31, 2010: 312
- (b) Percent of the mortgage loans that were 30+ days delinquent on March 31, 2010: 16.1%
- (c) Percent of all mortgage loans in the United States that were 30+ days delinquent on March 31, 2010: 14.7%

**Item 117. Statements about the ratings of the certificate(s) that the Bank purchased:**

On page S-3 of the prospectus supplement, Morgan Stanley and CWALT made statements about the ratings assigned to the certificates issued in this securitization. Morgan Stanley and CWALT stated that the Bank's certificate was rated Aaa by Moody's Investors Service, Inc. and AAA by Standard & Poor's Rating Services. These were the highest ratings available from these two rating agencies.



1 Morgan Stanley and CWALT also stated: "The classes of certificates listed below will not  
 2 be offered unless they are assigned the following ratings by Standard and Poor's Ratings  
 3 Services, a division of The McGraw-Hill Companies, Inc. ("S&P") and Moody's Investors  
 4 Service, Inc. ("Moody's")." The requirement for classes A-10 and A-8, from which these  
 5 certificates were to be paid, was for AAA from Standard & Poor's and Aaa from Moody's.  
 6  
 7 CWALT 2005-47CB Pros. Sup. S-3.

8 Morgan Stanley and CWALT also stated: "It is a condition to the issuance of the senior  
 9 certificates other than the Class A-1, Class A-4, Class A-5 and Class A-6 Certificates, that they be  
 10 rated "AAA" by Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P")  
 11 and "Aaa" by Moody's Investors Service, Inc. ("Moody's")." CWALT 2005-47CB Pros. Sup. S-  
 12 77.

13  
 14 **Item 120. Summary of loans about which the Defendants made untrue or misleading  
 15 statements:**

- 16 (a) Number of loans whose LTVs were materially understated: 596  
 17 (b) Number of loans in which the owner's equity was reduced by 5% or more by  
 18 undisclosed additional liens: 240  
 19 (c) Number of loans in which the properties were stated to be owner-occupied  
 20 but were not: 301  
 21 (d) Eliminating duplicates, number of loans about which the Defendants made  
 22 untrue or misleading statements: 923  
 23 (e) Eliminating duplicates, percent of loans about which the Defendants made  
 24 untrue or misleading statements: 47.6%  
 25  
 26  
 27  
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**SCHEDULE 48 TO THE AMENDED COMPLAINT**

To the extent that this Schedule is incorporated by reference into allegations in the complaint, those allegations are made against Defendants UBS and MAST.

**Item 44. Details of trust and certificate(s).**

(a) Dealer that sold the certificate(s) to the Bank: UBS.

(b) Description of the trust: MASTR Adjustable Rate Mortgages Trust, Mortgage Pass-Through Certificates, Series 2007-2 was a securitization in February 2007 of 1,355 mortgage loans, in one group. The mortgage loans in the collateral pool of this securitization were originated by Countrywide Home Loans, Inc. and various undisclosed originators. Countrywide Home Loans, Inc. originated or acquired 99.29% of all of the loans in the collateral pool. MARM 2007-2 Pros. Sup. S-10 and S-33.

(c) Description of the certificate(s) that the Bank purchased: UBS offered and sold to the Bank a senior certificate in this securitization, in tranche A-1, for which the Bank paid \$143,000,000 plus accrued interest on February 27, 2007.

(d) Ratings of the certificate(s) when the Bank purchased them: Standard & Poor's— AAA; Moody's— Aaa.

(e) Current ratings of the certificate(s): Standard & Poor's— CCC; Moody's— Caa1.

(f) URL of prospectus supplement for this securitization:  
<http://www.sec.gov/Archives/edgar/data/815018/000116231807000230/combined.htm>.

**Item 52. Untrue or misleading statements about the LTVs of the mortgage loans:**

In the prospectus supplement, UBS and MAST made the following statements about the LTVs of the mortgage loans in the collateral pool of this securitization.

1 (a) The original LTVs of the mortgage loans in the collateral pool ranged from 8.17%  
2 to 95%, with a weighted average of 72.7%. MARM 2007-2 Pros. Sup. S-12.

3 (b) "Approximately 1.22% of the loans (by aggregate principal balance as of the cut-  
4 off date) had loan-to-value ratios in excess of 80%, but no more than 100% at origination."  
5 MARM 2007-2 Pros. Sup. S-25.

6 (c) "Approximately 1.22% of the Loans, by Cut-Off Date Pool Balance of the Loans,  
7 had LTV Ratios at origination of greater than 80% . . . ." MARM 2007-2 Pros. Sup. S-31.

8 (d) "[A]s of the Cut-Off Date, the range of original Loan-to-Value Ratios of the Loans  
9 is approximately 8.17% to 95.00% and approximately 1.22% of the Loans by aggregate Stated  
10 Principal Balance of the loans as of the Cut-Off Date, had Loan-to-Value Ratios at origination in  
11 excess of 80%." MARM 2007-2 Pros. Sup. S-90.

12 (e) In Annex II of the prospectus supplement ("Mortgage Loan Statistical  
13 Information"), UBS and MAST presented tables of statistics about all of the mortgage loans in  
14 the collateral pool. MARM 2007-2 Pros. Sup. II-4 to II-11. Each table focused on a certain  
15 characteristic of the loans (for example, original principal balance) and divided the loans into  
16 categories based on that characteristic (for example, loans with original principal balances of  
17 \$200,000 or less, \$200,001 to \$250,000, \$250,001 to \$300,000, etc.). Each table then presented  
18 various data about the loans in each category. One of the tables, entitled "Original Loan-to-Value  
19 Ratios," divided the loans into 10 categories of original LTV (for example, 50% or less, 50.01%  
20 to 55%, 55.01% to 60%, etc.). The table made untrue and misleading statements about the  
21 number of mortgage loans, the aggregate principal balance outstanding, and the percent of  
22 aggregate principal balance outstanding in each of these categories. MARM 2007-2 Pros. Sup. II-  
23 8.

(f) "As of the Cut-Off Date, the weighted average original LTV Ratio of the Loans, by Cut-Off Date Pool Balance of the Loans, was approximately 72.70% per annum." MARM 2007-2 Pros. Sup. II-8.

**Item 62. Details of the results of the AVM analysis:**

Number of loans	1,355
Number of properties on which there was enough information for the model to determine a true market value	634
Number of loans on which the stated value was 105% or more of the true market value as reported by the model	446
Aggregate amount by which the stated values of those properties exceeded their true market values as reported by the model	\$93,653,923
Number of loans on which the stated value was 95% or less of the true market value as reported by the model	46
Aggregate amount by which the true market values of those properties exceed their stated values	\$8,445,060
Number of loans with LTVs over 100%, as stated by Defendants	0
Number of loans with LTVs over 100%, as determined by the model	107
Weighted-average LTV, as stated by Defendants	72.7%
Weighted-average LTV, as determined by the model	91.2%

**Item 65. Evidence from subsequent sales of refinanced properties:**

Of the 1,355 mortgage loans in the collateral pool, 815 were taken out to refinance, rather than to purchase, properties. For those 815 loans, the value (denominator) in the LTV was an appraised value rather than a sale price. Of those 815 properties, 10 were subsequently sold for a total of approximately \$5,443,077. The total value ascribed to those same properties in the LTV data reported in the prospectus supplement and other documents sent to the Bank was \$7,733,000. Thus, those properties were sold for 70.4% of the value ascribed to them, a difference of 29.6%. This difference cannot be accounted for by declines in house prices in the areas in which those properties were located.

**Item 71. Undisclosed additional liens:**

- (a) Minimum number of properties with additional liens: 104
- (b) Total reduction in equity from additional liens: \$14,325,816